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OFFICIAL LABELS KISSINGER REPORT 'BIASED'

PY241600 Buenos Aires Domestic Service in Spanish 1030 GMT 24 Jan 84

[Text] Argentine Under Secretary for Latin American Affairs Raul Alconada Sempe has dubbed the Kissinger report on Central America biased. Alconada made this statement in Bogota, and he reiterated the Argentine Government's support for the Contadora Group, which is seeking to achieve peace in Central America. Alconada said that the Kissinger report was a completely biased U.S. view of Central American issues. Argentina regards the Contadora Group as the only viable alternative for reaching a peaceful solution to the conflict, Alconada concluded.

BILL HITS KISSINGER REPORT, U.S. POLICY IN C.A.

PY250217 Buenos Aires DYN in Spanish 2345 GMT 24 Jan 84

[Text] Buenos Aires, 24 Jan (DYN) -- The Intransigent Party bloc of the Chamber of Deputies has sponsored a draft resolution expressing satisfaction and support for the defense minister's decision to suspend arms sales to Honduras. In the draft resolution, Deputies Raul Rabanaque, Miguel Monserrat, and Marcelo Arabolaza ask the defense minister to report to the chamber the details of the suspension of the arms sales. The deputies based the resolution on the fact that Honduras has become a launching base for the interventionist U.S. policy in Central America.

The bloc also sponsored another draft resolution condemning the so-called Kissinger report on Central America.

Finally, the Intransigent bloc drew up a draft resolution implementing the inclusion of a nonelective course on human rights at the elementary, high school, and university levels.

ALFONSIN INTERVIEWED BY U.S. JOURNALISTS

PY241909 Buenos Aires TELAM in Spanish 2056 GMT 22 Jan 84

[Text] Buenos Aires, 22 Jan (TELAM) -- On the subject of the missing persons in general, President Raul Alfonsin has stated that there has been no racial persecution in our country and at the same time termed what has happened in Argentina as very serious. The president said this during an interview granted to journalists of New York television Channel 41. The U.S. journalists asked the president if he could say how serious the problem of the missing persons is in Argentina and if it is anything like the Nazi genocide.

Alfonsin noted that violence established itself in our country, in the first phase, through the activities of groups of terrorists who believed that violence was the way to gain access to power and that the right way of going about it, for example, was to kill policemen on street corners.

"Unfortunately, this prompted a reaction by the government, which resorted to the same methods used by the terrorists. As a consequence, repression reached the stage you are aware of and, I presume, this presented a truly pitiful spectacle of a country being led toward a war-like confrontation in which both parties resorted to every despicable method."

When he was asked whether what had happened in Argentina could be compared with the Nazi genocide, the president answered that he did not think it could really be compared with what happened in Germany, where an entire race was wiped out by genocide. Here, at least in general terms, there has not been that kind of racial persecution. What there has been is the use of terrorism to fight terrorism, and it was fighting evil with evil that led the country into a veritable hell.

When asked whether there were any data, figures, or estimates of the number of persons murdered, taking into account that according to the mothers of Plaza de Mayo they amount to 30,000, the president said that there are no figures.

Alfonsin recalled that when he was a member of the executive board of the Permanent Commission on Human Rights they only acknowledged the charges on which a habeas corpus writ could stand. These cases amounted to 7,000, but we believed that this number could be doubled. Referring to the creation of the National Commission for Missing Persons, President Alfonsin asserted that the number of persons missing almost certainly amounts to more than 19,000. In his opinion, this figure is almost certain.

The U.S. journalists asked Alfonsin whether something similar to the Nuremberg trials, at which 13 Nazi leaders were condemned in the belief that that would satisfy the world's desire that genocide be punished, would happen in Argentina, and whether the sentence of a dozen military leaders could set precedents here?

The president said that "this is not for me to answer, it is something for the judicial process to answer. What we are doing is restoring the state of law and opening up the courts to the charges of those who want to make them." He again noted that, from his viewpoint, there are three different degrees of responsibility in acts of repression: those who gave the orders; those who were overzealous in carrying them out; and those who merely carried out the orders. After agreeing with the journalists that only a small number of guilty persons were punished in Nuremberg, he pointed out that in analyzing the situation in other countries it is obvious that in no case do we seek revenge, only justice.

Alfonsin said that "we do not want to look back to seek revenge, but we do believe that the Argentine people's reconciliation should be based on truth and justice." When the journalist noted that his statement suggested that not all the Armed Forces should be punsihed, Alfonsin commented: "Naturally, I don't believe that everyone is responsible."

The president noted that inflation must be tackled from every angle and that the monetarist criteria that caused the current hyperinflation must not be used. This was the president's answer to a journalist's question on how he would curb such a high inflation rate, which the reporter noted was one of the highest in the world and according to the Swiss banking sector has increased by 315,000 percent during the period 1973-83, which is as if one hamburger in 1973 multiplied into 315,000 hamburgers in 1983.

Alfonsin added: "We believe that inflation should be curbed through the achievement of a reactivation, an economic growth, and the increase of real salaries. This will undoubtedly create some problems, but it does not mean, as some stated when they learned of our plan of action, that we should be awarded the Nobel Prize for economies.

The president believes that the government will be able to increase the tax burden above the level maintained for the past 20 years. He said that more effort must be asked from those who can give it.

Alfonsin then said that the public expenditure, which he termed too inflexible, must be reduced, and also admitted that extraordinary solutions are not possible without a better allocation of resources.

President Alfonsin said that he hopes to reduce the fiscal deficit by liquidating all the enterprises the state has inherited throughout the successive governments and to cushion the GNP decline from 14 percent -- which is what it was when the government took over -- to 4 percent, which will represent a clear decrease in the inflation rate.

When a U.S. journalist inquired about Argentina's policy for Central America and why it supported the Contadora Group, Alfonsin noted that the policy for Central America is the same one for our own country and the one I desire for all Latin America: to work at raising our own national regional banners, to prevent our territory from becoming the battlefield of the two superpowers, and to strengthen, to the extent of our efforts, the pluralistic democracies.

"The EEC would have been unthinkable in Hitler's and Mussolini's time; therefore, what we finally want for Central America, for Latin America, and the entire world is governments that will struggle to safeguard human dignity."

When asked whether the Argentine Government is following a social democratic tendency, such as that of the governments of European countries, of Venezuela, Colombia, Mexico, and Panama, Alfonsin said that it is going on to point out that it could also be said that it is social-democratic and liberal, in the good sense of the word. He emphasized that we are Radicals here in Argentina, but our definition does not quite fit the international definition. "Nevertheless, we naturally have a very good relationship with the Social Democrats. I believe that the strengthening of a social democracy is imperative as a means of overcoming our problems in Latin America."

When the journalist asked him whether he believed that the Soviet Union, to whom Argentina sells just about everything, might impose the sale of weapons, technology, and eventually the sending of military advisers in exchange, Alfonsin said that he did not see things that way.

The president stated that "I am aware that the balance of trade is totally unfavorable to them. Moreover, I am aware that they want to sell their products to us. They are purchasing goods from us worth over $1.5 billion and selling us goods worth approximately $60 million.

Regarding U.S.-Argentine relations, Alfonsin voiced his interest in some genuine investments being made, "but we do not intend to spend a lot of money on arms."

Alfonsin pointed out that "Argentina will not fail, you may rest assured that it will make it. I do not believe in ghosts. We do have problems to overcome, and we are aware of them and we know that they will be overcome; We rule out the possiblity of a civil war, because there are no more chances of confrontation among Argentine citizens."

The next question posed to Alfonsin was whether the military will return to power, to which he answered: "I am convinced that we have started a very long period of peace and democracy in Argentina. Our country is making decided progress to become, not only one of the democratic countries in the world but also one of the most developed."

Alfonsin ended by urging all Argentine citizens residing in the United States to return to Argentina because we need not only scientists but also technicians and skilled workers to return to the country, because they will find that they have a chance to start their lives again, and announced the creation of a commission for this purpose.

President Alfonsin called on all Latin Americans residing in the United States to understand that Latin America cannot be the backyard of the United States. He urged them to struggle so that it will be perfectly understood that we are struggling to safeguard human dignity.

FOREIGN MINISTRY ACCEPTS DIPLOMATS' RESIGNATIONS

PY242350 Buenos Aires BUENOS AIRES HERALD in English 24 Jan 84 p 7

["Argentina in Brief" column]

[Text] (NA) -- The Foreign Ministry yesterday accepted the resignations of 11 ambassadors, including seven generals and admirals and the Secretary General of the OAS, Alejandro Orfila, who was on leave from the Foreign Service because of his post. The Foreign Ministry also recalled Argentine delegate to the UNESCO Victor Massuh and will dismiss him from office "within a day or two" after his return. Besides Orfila's, the other civilian resignations accepted were those of Francisco Moyano, who had been stationed in Venezuela, and former Under-Secretary of International Economic Relations Felix Pena. The resigning military ambassadors are Generals Jose Montes, Santiago Omar Riveros, and Eduardo Alberto Crespi, who held diplomatic posts in Chile, Uruguay, and Paraguay, respectively. Retired Colonel Ricardo Etchegaray, stationed in Chile, also resigned. The outgoing admirals who were ambassadors to Italy, Egypt, Peru, and Nigeria are Rodolfo Luchetta, Augusto Goulou, Luis Sanchez Moreno, and Dalton Aluralde.

SOCIALIST PARTY ISSUES COMMUNIQUE ON BEAGLE

PY242136 Buenos Aires Domestic Service in Spanish 2000 GMT 24 Jan 84

[Text] The Authentic Socialist Party [Partido Socialista Autentico] has issued a communique on the signing of the declaration of peace and friendship by Argentina and Chile. The communique states that although the signing of the document is a positive step, it is imperative to inform the people of the territorial and maritime concessions that Argentina will have to make as her contribution to the settlement of the conflict.

The National Congress, the communique concludes, will bear the major responsibility of ensuring that the two-ocean principle is respected in the final treaty as a solemn commitment to everlasting peace in the South Atlantic.

DEPORTED CHILEAN CITIZEN REQUESTS ASYLUM

PY241804 Buenos Aires DYN in Spanish 1518 GMT 24 Jan 84

[Excerpts] Buenos Aires, 24 Jan (DYN) -- Reliable sources have reported that a Chilean citizen, Juan Carlos del Villar Jerez, who was on his way to his country after being deported from Spain, today carried out the procedure for requesting political asylum in Argentina.

Villar Jerez, 31, is staying at the Ezeiza International Airport where he arrived from Madrid aboard Iberia Flight No 897. Spanish authorities had deported Villar Jerez because his 3 month temporary residence permit, which he obtained when he left Chile, had expired.

ECONOMY MINISTER GRINSPUN ON IMPORTS, DEBT

PY242348 Buenos Aires BUENOS AIRES HERALD in English 24 Jan 84 p 7

[Text] (DYN-NA) -- Economy Minister Bernardo Grinspun said last night that the government will not allow "the country to come to a halt for lack of imported inputs," promising that "we will pay cash" for those imports "if any company has problems to open a letter of credit."

He made these statements to the press following a meeting with an inter-ministerial foreign debt commission, during which he instructed the creation of eight new sub-committees to gather and tabulate all pertinent information.

Grinspun denied that Argentina had requested any moratorium on its foreign debt, and explained that the newly created working groups are necessary to "put order in the anarchy which has prevailed in the foreign sector during the past few years." To this effect, the minister said, the sub-committees will deal with five basic issues: "The negotiation of new credits with international organizations, with government organizations, which promote and finance their exports, and with the so-called Paris Club, credit lines for the import of inputs, and finally negotiations with the International Monetary Fund (IMF) and foreign creditor banks."

LABOR MINISTRY TURNS DOWN UNIONS' REQUEST

PY242255 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0122 GMT 24 Jan 84

[Text] Buenos Aires, 23 Jan (NA) -- The Labor Ministry has released a communique announcing its refusal to grant a request for the use of the CGT [General Confederation of Labor] headquarters -- which has traditionally been located at 802 Azopardo Street -- for a plenary meeting on unity. The communique, which was issued tonight, reads:

"In the face of a request submitted by a labor organization, asking for permission to use the CGT building on 25 January 1984, the Ministry of Labor and Social Security hereby makes it clear that its policy aims at achieving the complete normalization of unions in the shortest possible time. Pursuant to this goal, the executive branch has submitted a union reorganization draft bill to Congress.

"This ministry has also sought to drive the different currents within the union leadership along the path leading toward the unity of the labor movement. An aspiration of the democratic government, this unity must, however, be built upon the workers' own will and must not be imposed by law.

"In view of the above, and taking into account that several unions have questioned the meeting scheduled for 25 January, the Ministry of Labor and Social Security has considered that granting permission to use the CGT building for the meeting would amount to interfering in the labor movement's internal affairs.

"It is the government's decision to hand over CGT properties to the legitimate representatives of workers, who will emerge from the democratization process of the labor movement, a process that has inspired the union reorganization bill that is to be analyzed by Congress over the next few days."

NAVY OFFICERS' ARREST IN DISAPPEARANCE CASE ASKED

PY241730 Buenos Aires Domestic Service in Spanish 1600 GMT 24 Jan 84

[Text] The immediate arrest of two Navy officers, Ruben Eduardo Chamorro and Alfredo Astiz, has been requested. The petition was filed by an attorney, Luis Fernando Zamora, a member of the Center of Legal and Social Studies, at the Moron District Court. The petition is based on the testimony of former Navy Corporal (Raul David Vilarino) on the disappearance of a young Swedish woman, Dagmar Ingrid Hagelin, from El Palomar, Buenos Aires Province, in January 1977.

FORMER BOLIVIAN MINISTER CLAIMS TELEPHONE TAPPED

PY241810 Buenos Aires Domestic Service in Spanish 1600 GMT 24 Jan 84

[Text] Federal Judge Marquardt, who is on duty, has ordered that former Bolivian Interior Minister Colonel Luis Arce Gomez" home telephone line be checked to see if it is tapped and if conversations are being tape recorded. In a writ filed last week, Arce Gomez said that after he received political asylum he started to be threatened over the telephone, and that he is followed all the time as soon as he leaves his home. Therefore, a group of technicians has reportedly checked the telephone switches located in the building where Arce Gomez is living.

CAPUTO MEETS WITH VATICAN, ITALIAN OFFICIALS

For Argentine reportage on Foreign Minister Dante Caputo's visit to Italy and the Vatican, including his talks with Vatican officials and and his meeting with Italian Prime Minister Craxi, see the Italy & the Vatican section of the 23 January Western Europe DAILY REPORT and subsequent issues.

BRIEFS

YACYRETA AUTHORITIES NAMED -- Buenos Aires, 11 Jan (DYN) -- Today the national government appointed Juan Ramon Palma, Humberto Perez, and Alfredo Storani as members of the Administrative Board of the Binational Yacyreta Enterprise. Hugo Breme was also confirmed as member of the board and Oscar Torres Avalos was appointed Foreign Ministry representative to the binational enterprise. [Summary] [Buenos Aires DYN in Spanish 1115 GMT 11 Jan 84 PY]

MILITARY UNDER SECRETARY DIES -- Buenos Aires, 11 Jan (NA) -- Juan Manuel Pomar, under secretary for military affairs, died of heart problems early this morning. [Summary] [Buenos Aires NOTICIAS ARGENTINAS in Spanish 1501 GMT 11 Jan 84 PY]

U.S. JOINT MANEUVERS SEEN AS 'MEDDLING'

PY241840 Paris AFP in Spanish 1735 GMT 24 Jan 84

[Text] La Paz, 24 Jan (AFP) -- The Socialist Party One (PS-1) today labeled as U.S. Government meddling the joint maneuvers between U.S. troops and Bolivian paratroopers which are to take place over the next few days in Cochabamba. PS-1 leader Roger Cortez said that this is undoubtedly an attempt to repeat the events of 1964 that led to the toppling of the MNR [Nationalist Revolutionary Movement] constitutional government. On the other hand, the morning daily HOY wondered if the U.S. Administration is looking for another Barrientos.

Air Force General Rene Barrientos Ortuno, who parachuted along with a U.S. officer, deposed President Victor Paz Estenssoro on 4 November 1964, thus beginning a succession of de facto regimes.

GOVERNMENT, COB NEGOTIATING ADJUSTABLE SCALE

PY241320 La Paz Cadena Panamericana in Spanish 1100 GMT 24 Jan 84

[Excerpts] Juan Lechin Oquendo, who is acting as conflict mediator in the negotiations between the government and Bolivian workers, made no positive comments on yesterday's meeting between the Bolivian Labor Confederation [COB] and the government.

At the end of the meeting, which concluded at approximately 2000, Juan Lechin Oquendo said that the meeting with the economic team could not be termed positive, but quite the opposite, since it led only to the establishment of a commission that will not take us very far, and that experience has taught us that such commissions are a waste of time, serving only to delay matters.

According to Information Minister Mario Ruedo Pena yesterday, the economic team ratified the COB representatives' proposal regarding the implementation of a salary with an adjustable scale but rejected the minimum basic salary. According to Minister Rueda Pena, the percentage of the adjustable scale will be established at the end of corresponding negotiations. Finance Minister Fernando Baptista Gumucio has stated that the implementation of an adjustable salary scale, which the COB is now demanding, will be the subject of difficult negotiations, because some $250 million are needed to decree a salary increase. The current problem is the lack of foreign currency for such an increase.

BRIEFS

NEW OIL FIELD IN SANTA CRUZ -- Tomorrow President Hernan Siles Zuazo will officially inaugurate the new oil field Santa Cruz No 5, which is located 11 km from Santa Cruz City. This field, which was discovered by Bolivian Government Oil Deposits' [YPFB] experts 5 months ago, had an initial production of 450 barrels of oil and 7.12 million square feet of natural gas per day. According to the YPFB, the field should yield 3,000 barrels of oil and from 60 to 70 million square feet or gas per day when fully operating. [Summary] [La Paz Cadena Panamericana in Spanish 1100 GMT 13 Jan 84 PY]

NAVY MINISTER ON NUCLEAR SUBMARINE PROGRAM

PY241130 Rio de Janerio JORNAL DO BRASIL in Portuguese 22 Jan 84 p 13

[Interview granted to JORNAL DO BRASIL by Navy Minister Admiral Eduarde da Silva Fonseca Maximiano -- place and date not given]

[Text] [Unidentified reporter] Nuclear research and construction of nuclear submarines are two undertakings which, each by itself, require strict quality control. Now, when these two things are put together within a project that should meet military standards, such requirements are as strict as they can be. What preparations are being made by the Navy to meet such requirements?

[Maximiano] We have good experience in naval construction and in remodeling submarines. Furthermore, we will send technicians abroad to specialize in the construction of submarines. At the same time, the project for building nuclear vessels will have foreign supervision, German supervision in this case.

[Reporter] This type of program will require highly skilled manpower -- people holding doctoral degrees from MIT (Massachussets Institute of Technology) for instance. Do you have this kind of personnel?

[Maximiano] At first, we had a nuclear engineer, and now we have other engineers who were educated in the United States. Some of them hold doctoral degrees from MIT, top-notch people really.

[Reporter] How many, Minister?

[Maximiano] At this moment we have four naval and civil engineers with PhD's. Two of these have only recently joined the project to construct a nuclear submarine, working full time.

[Reporter] According to some estimates, $3.5-billion is needed to complete such a project, from research on the reactor to the submarine itself. Is this right?

[Maximiano] Not at all. If all that money were needed, we could not even think of such a project. A "Trident" class nuclear submarine of the U.S. navy, with 18,000-tons displacement -- equal to that of our aircraft carrier "Minas Gerais" -- and carrying as many as 24 missiles, costs $1.8 billion. Initially, our project calls for the construction of some conventional submarines, on the basis of which nuclear submarines will be built later. After all, the only difference will lie in the power system. A conventional submarine now costs approximately $80 million; therefore, I estimate that the first Brazilian nuclear submarine, which will have a small displacement, will cost just twice as much, no more than $200 million.

[Reporter] Is it true that the domestic equipment will be partially based on technology from KWU [Kraftwerk Union), a German company which will supply some of the reactors and which will transfer the technology for the production in Brazil of other reactors for generating electricity, within Nuclebras' nuclear program?

[Maximiano] Not the KWU nor anybody else. We are studying, comparing several models we already have here with those available in the international market, until we wind up with our own model. Once this research phase is completed, we will begin construction.

[Reporter] It is said that one of the big problems is to make a compact reactor for a submarine, because the reactor has to be small.

[Maximiano] That is one of them. The main problem is the materials needed for its construction.

[Reporter] Your are developing this work at the IPEN [Institute for Nuclear and Energy Research] on the USP [University of Sao Paulo] campus, right?

[Maximiano] We have a group working there to develop the project, but when the time comes to build the reactor, we will do it somewhere else. The prototype might be built there; it involves no danger. We are studying the reactor's characteristics, resolving problems related to resistance of materials so that we may eventually ha e our own equipment. Everybody should understand that no country will agree to selling that kind of equipment to us. I expect that we will have everything ready in the early 1990's.

[Reporter] As far as we know, you at the Navy are already contracting with an engineering firm that will prepare the installations for that reactor. How far along are you on this phase?

[Maximiano] I do not want to get into details, so as not to create problems for our personnel. I am going to be frank with you: We are not building it yet.

[Reporter] Would that experimental equipment be a power reactor?

[Maximiano] Yes. It would be a research reactor like the one IPEN already has [The minister refers to the IEA-R1 which used 93-percent enriched uranium, and can be at 5MW power. It has functioned with no trouble since 1957, and it is under International Atomic Energy Agency control.). That reactor will serve as the basis on which the submarine's reactor will ultimately be developed.

[Reporter] We cannot speak of the reactor without speaking of its fuel. According to our calculations, something on the order of 6 kgs of well-enriched uranium-235 will be necessary for the first charge, with the reactor working at zero power. Is that so?

[Maximiano] About that. The iranium needs to be highly enriched.

[Reporter] No doubt. It has to be superenriched. To be more precise, it has to be enriched at least to 70 percent.

[Maximiano] That's right.

[Reporter] Will it be possible to enrich the uranium for the experimental reactor and for those to be installed in submarines at Resende (Nuclebras unit located in the Rio de Janeiro municipality of Resende where uranium is to be enriched through the jet-nozzle method to supply fuel elements for the nuclear electricity plants)?

[Maximiano] Why not?

[Reporter] Because the Resende unit is subject to control by the International Atomic Energy Agency, so the fuel produced there can only be used for supplying our future nuclear plants.

[Maximiano] That's correct. But we cannot link one thing to the other. I do not know if the use of uranium under safeguards will be forbidden. I believe that it will be [as published] although a submarine is a vehicle, not a weapon. I cannot go further on this.

[Reporter] Even so, we believe that still there will be problems, because the countries of the so-called atomic club, such as the United States, Great Britain, and so forth, will not sell any enriched uranium to us. Can we count on the PRC and South Africa?

[Maximiano] We might buy it from either of the two, but we do not intend to find ourselves in that position. We want to manufacture both reactors and fuel because, otherwise, our vulnerability will be very high.

[Reporter] Are the IPEN and the CTA (Sao Jose dos Campos Aerospace Technical Center) the main centers involved in nuclear research work for the submarines?

[Maximiano] The CTA does not participate.

[Reporter] Is that because the CTA is working on uranium enrichment with laser beams?

[Maximiano] The truth is that you cannot go through a single route. The jet-nozzle method is proven only in theory.

[Reporter] Because ultracentrifugation is more reliable, it is another program, it is not?

[Maximiano] Nobody sells those technologies. Each one goes his own way. Let's stop on the question of uranium enrichment.

[Reporter] How long do you believe it will take to master the reactor and uranium enrichment technologies?

[Maximiano] My estimate is by the early 1990's. It is a problem for a future government to decide whether to buy the first fuel charges and so forth abroad. The main thing is knowing how to build submarines.

[Reporter] We will have the reactor, and uranium-235 enriched to 70 percent to fuel it. This is a very valuable material which makes possible the manufacture of atomic bombs of reasonable quality. If enriched to 92 percent, it is possible to build even better atomic bombs, is it not?

[Maximiano] Of course anybody who has all that has the material to build the bomb. That was the case of all countries that now have that weapon. That is happening in Argentina which already has plutonium-239. (Plutonium-239 is a radioactive waste of the fuel elements and it can be reprocessed either into fuel again or used as an ingredient in the so-called "dirty bomb," similar to the atomic bomb dropped on Hiroshima.) Anyone who has nuclear plants ends up one day having all the material necessary for nuclear weapons. That's just the old story: Had Admiral Alvaro Alberto been allowed to go on with his nuclear program, we would be enriching uranium right now. I could see the pressure the Americans exerted against him. So his plans were blocked, and today we have nothing.

[Reporter] We are going to have the byproduct of nuclear research, and we will be in a position to manufacture the bomb in the 1990's. Whenever we reach that point, what will be necessary to build the bomb?

[Maximiano] The decision of a future government. But today I want to make something clear: We, the military, are not going after the bomb.

With the development of nuclear research, however, one day the country will inevitably have the material necessary to build the bomb. And it is a good thing to have that capacity. But just because we possess that capacity, manufacturing the bomb will make no sense because we do not intend to go to war against anyone. Where would we drop the bomb? On our heads? So we should not build any nuclear device.

EDITORIAL ON FLAWS AT ANGRA 1 NUCLEAR PLANT

PY241050 Sao Paulo FOLHA DE SAO PAULO in Portuguese 23 Jan 84 p 2

[Editorial: "Nuclear Monument"]

[Text] Mines and Energy Minister Cesar Cals has just announced yet another flaw in the Angra 1 nuclear plant. This time it has to do with premature corrosion in the turbine axle. This is unexplainable because the system has never yet operated at full load, and it is supposed to operate trouble-free for 25 years. It should be recalled that a few years ago FOLHA DA TARDE raised the hypothesis that the one centimeter tilt which the Angra 1 foundations experienced could eventually damage the axle of the turbine which operates the generator, due to the intense mechanical fatigue resulting from the axle's gradual misalignment.

Seven years behind schedule, Angra 1 has already been troubled by a list of defects, ranging from gross errors in the project itself to the invasion of its pipes by barnacles which blocked water circulation through the secondary circuit. This sinister comedy is not the privilege of Angra 1 alone, because a large number of nuclear plants installed abroad, on the basis of the same technology, have similar records of flaws.

In 1975, when Brazil signed the nuclear agreement with the FRG, Great Britain rejected that technology, arguing that it would be impossible to avert premature fatigue of the pipe material through which high-pressure radioactive water at 300 degrees centigrade runs at 100 kmph. The radioactivity of the water in the primary circuit, the British argued, would reduce the malleability of the material of which the pipes are made, accelerating even more the weakening process caused by intense vibrations, resulting from the high temperature and high pressure of the circulating water. According to the British, these combined effects could bring about the premature deterioration of the pipes.

It is therefore most likely that the desperate efforts by the engineers of the Furnas Electrical Company will be in vain, and that the unfortunate experience with Angra 1 will be turned into a monument, not of the victory, but of the failure of the Brazilian nuclear program.

MARIO ANDREAZZA'S PRESIDENTIAL CAMPAIGN LAUNCHED

PY241935 Sao Paulo Radio Bandeirantes in Portuguese 1600 GMT 24 Jan 84

[Excerpt] Interior Minister Mario Andreazza will run for president. His presidential campaign was officially launched in Brasilia a few minutes ago. Correspondent Carlos Rodrigues filed this report:

Five PDS [Social Democratic Party] convention delegates have informed the party leadership that Mario Andreazza's presidential campaign has been officially launched. Referring to his platform, Andreazza promised to restore the direct election system at all levels, including the post of president of the republic.

POLICE DISPERSE UNAUTHORIZED RALLY IN SANTIAGO

PY250213 Paris AFP in Spanish 0128 GMT 25 Jan 84

[Excerpt] Santiago, 24 Jan (AFP) -- Two demonstrators were wounded by buckshots and a dozen of them were detained when a workers rally was dispersed tonight by the Carabineros paramilitary police in a popular district of this capital.

The incidents occurred when the police prevented a rally that had been called in the southern sector of Santiago by the dissident National Union Coordinating Board to criticize the socioeconomic policy of the military government of General Augusto Pinochet.

Hundreds of workers and unemployed individuals erected barricades and built fires on the streets. They then threw stones at the Carabineros, who used firearms to disperse the unsuccessful demonstrators led by Christian Democratic Union leader Manuel Bustos.

The mediation of Rodolfo Seguel, leader of the copper workers, who talked with the police officers, prevented any further violence.

General Roberto Guillard, intendant (governor) of Santiago, yesterday refused to authorize this rally, whose organizers had expected to gather more than 20,000 workers.

EXTRADITION OF NAZI WAR CRIMINAL SOUGHT

PY211825 Paris AFP in Spanish 1346 GMT 21 Jan 84

[Excerpt] Santiago, Chile, 21 Jan (AFP) -- Nazi hunter Beate Klarsfel today said that she will remain in Chile as long as necessary to obtain the extradition of Walter Rauff, who is responsible for the deaths of 97,000 Jews in mobile gas chambers during World War II.

Rauff, an ex-Nazi colonel who arrived in Chile at the end of the fifties to live in Punta Arenas, 2,500 km south of Santiago, is now living with one of his sons in a comfortable house in the elegant Santiago neighborhood of Las Condes.

I am here to obtain the extradition of Walter Rauff, the wife of Serge Klarsfeld told AFP, who traced another famous Nazi, Klaus Barbie, in Bolivia, thus enabling his arrest and his current trial in France.

Rauff and Joseph Mengele, the angel of death who is now living in Paraguay, are considered the two most wanted war criminals in the world.

FOREIGN MINISTER VISITS VATICAN FOR TALKS

For Santiago reportage on the visit to the Vatican by Foreign Minister Jaime del Valle, including his arrival on 20 January, see the Italy & the Vatican section of the 23 January Western Europe DAILY REPORT and subsequent issues.

BETANCUR REASSERTS SOVEREIGNTY OVER ARCHIPELAGO

PA241823 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 24 Jan 84

[Text] Nicaragua's claims to the Providencia Archipelago and the San Andres Islands will not affect the Contadora Group's peace-keeping efforts in Central America, President Betancur declared when he reasserted Colombia's sovereignty over those Caribbean islands, which include the Serrana, Roncador, and Quitasueno Keys. Betancur made this statement after Nicaraguan maps identifying the archipelago and neighboring keys as belonging to that country prompted a Colombian Foreign Ministry note to the Nicaraguan Foreign Ministry. Speaking at a ceremony to honor the new military commands, President Betancur denied that such claims would hinder the Contadora Group's peace-keeping efforts. He also explained that Colombian Navy, Air Force, and Army units will always be posted strategically at border points in order to defend Colombian sovereignty.

M-19 REPORTS ESTABLISHMENT OF 'WESTERN FRONT'

PA220437 Bogota EL TIEMPO in Spanish 16 Jan 84 p 2

[Report by Edison Parra Garzon]

[Text] Pasto, 15 Jan -- The general command of the self-styled M-19 [19 April Movement] has confirmed in a communique delivered to EL TIEMPO in this city that the organization has established a 'Western Front," which is already operating in Valle, Cauca, and Narino Departments.

The M-19 insists on the urgent need for "a national dialogue to search for the new path that the country wants: a democratic opening that will transfer the struggle to the public plazas."

It added that "we join our forces with fists raised to declare strikes, to recover the land of the Indians who declare civic strikes, to demand the dignity of Narino, to seek a real reconstruction of Popayan, to struggle for the survival of hemp [fique], and to seek the redemption of the peaceful man."

The M-19 insists on its proposal that the national government call a truce in the present struggle after explaining that "we, the M-19, have presented to the country, through every possible means, our democratic inclination and our desire for peace and justice. Therefore, we are using our men and arms to achieve the second step required in the process of national concord following amnesty -- a truce."

The M-19 holds the Armed Forces responsible for "today preventing the transition to a healthy national dialogue."

BRIEFS

HOOF-AND-MOUTH OUTBREAK -- Bogota -- Animal health authorities have reported a slight outbreak of hoof-and-mouth disease in the Bogota savanna. Veterinarians with the Colombian Agricultural-Livestock Institute said that the outbreak has occurred in some ranches of Mosquera, La Pradera, and [name indistinct]. They said that only a small number of animals have been affected and that the situation is under control. [Summary] [Bogota Cadena Radial Super in Spanish 1730 GMT 9 Jan 84 PA]

ANTELCO IMPOSES RESTRICTIONS ON RADIO NANDUTI

PY241800 Asuncion ABC COLOR in Spanish 24 Jan 84 p 7

[Excerpts] The National Administration for Telecommunications (ANTELCO) has informed Radio Nanduti that it must refrain from reporting on the activities of unauthorized political parties and interviewing their leaders. ANTELCO also advised Radio Nanduti that it should not try to pay this year's license, stating that there are bureaucratic problems preventing its collection.

Humbarto Rubin, the director of Radio Nanduti, was summoned last Thursday by engineer Angel Barboza, the new head of the ANTELCO Radio Communications Directorate. Barboza told Rubin that he must understand that the unauthorized political parties "are not political parties and must not appear as such; therefore, they must not make the news. Leaders from those parties are not to speak any more. Barboza told me several times that the authorized political parties may speak and say whatever they wish, whenever they wish, and as many times as they wish," Rubin said.

Talking about the rumors that ANTELCO would also refuse to renew his license, Rubin said that he could not quite follow that part of his meeting with Barboza. "Barboza told me that the invoices for the licenses for the radio, AM, FM, and 'walkie-talkies' have not yet been prepared. Barboza obviously meant to say that I should not go to pay for these licenses, as no receipts have been prepared. I really did not quite understand what Barboza meant, but the way he said it was quite neat," Rubin stated.

After stating that he fears a resolution might be passed against the renewal of his license, Rubin was asked whether he felt harassed. In reply, Rubin said that many things have happened to him, even though his goals were democracy, freedom of speech to inform the people, and that he be allowed to have a say without this being regarded as an offense.

ABC COLOR tried to find out at the ANTELCO offices what was discussed during the Rubin-Barboza meeting, but engineer Barboza said that he had nothing to say.

MOPOCO LEADER RETURNS FROM 24-YEAR EXILE

PY241507 Asuncion ABC COLOR in Spanish 24 Jan 84 p 10

[Excerpt] Encarnacion -- Andres Gomez Galeano, a member of the MOPOCO [Popular Colorado Movement] Directorate, arrived in Encarnacion yesterday at 1000. He was met there by relatives and fellow MOPOCO members. They then traveled to Asuncion under police surveillance.

COMMISSION GETS REPORT ON CUBAN HUNGER STRIKERS

PY241405 Lima Domestic Service in Spanish 1100 GMT 24 Jan 84

[Text] Fourteen Cubans are staging a hunger strike in the Peruvian Embassy in Havana.

The Human Rights Commission of the Chamber of Deputies has received a report that the 14 Cubans who have sought refuge at the embassy have been staging their hunger strike since 16 December 1983, demanding that they be allowed to leave Cuba. This report was relayed to the chairman of the Human Rights Commission of the Peruvian Chamber of Deputies, Jorge Leon, by a Cuban couple who are staying at the Tupac Amaru (?Hotel). The Cuban couple said that the 14 hunger strikers, 3 of whom are in grave condition, are part of a group of nearly 400 Cubans who invaded the Peruvian Embassy in Havana in April 1980. Leon also received a request that the appropriate paperwork be expedited to allow the 14 Cubans to travel to the United States where they have relatives.

SCHWALB ACCUSES ECUADOR OF USING BORDER INCIDENT

PY241505 Lima Domestic Service in Spanish 1100 GMT 24 Jan 84

[Text] Peruvian Foreign Minister Fernando Schwalb has accused the Ecuadoran Government of seeking to move world opinion to solve a nonexistent problem between the two countries.

Schwalb added that he is studying the answer to a second protest ledged by Ecuador. In this note the Ecuadoran Government is charging Peru with dangerously taking advantage of the border incident, but Schwalb points out that Peru has limited itself to showing that there is no pending problem with Ecuador, and that nothing, not even a comma, will be changed in the Rio de Janeiro Protocol.

Danger in Ecuadoran Policy

PY241520 Lima EXPRESO in Spanish 19 Jan 84 p 16

[Editorial: "Ecuador: More Aggression"]

[Text] Once again, as systematically in the past few years, Ecuadoran leaders have picked the month of January to carry out aggressive military operations against the members of our Army guarding our northern border.

It seems that this maneuver -- although obvious and recurring -- produces political dividends in Quito, to such an extent that it is becoming a dangerous game having to meet the hostile Ecuadoran maneuvers with force at certain times of the year that coincide with anniversaries or "thought-provoking" political circumstances.

Quito's simplistic strategy is aimed at its alleged border dispute with Peru in the limelight. It does this by promoting periodic armed incursions against our territory with unavoidable, often bloody clashes because of the firm and decided action of our troops.

Moreover, this policy of Quito is a double-edged sword that in the long will run mainly harm the people of Ecuador, because it is creating a chilly atmosphere for integration, delaying joint development projects, and the neighboring country is throwing away the possibility of free navigation on the Amazon River that the Rio de Janeiro Protocol -- which it stubbornly insists on not acknowledging -- grants it.

But, what is even more dangerous and alarming is that this "playing with fire" by the Ecuadoreans implies a closeness to unleashing larger actions of war, such as the ones that almost took place in January 1981, which could seriously harm the neighboring nation in the final bloody balance which is a result of all wars.

It might be that President Hurtado, who has recently demonstrated prudence and wisdom when he confronted the warmongering "hawks" of his country, has not directly participated in this new conspiracy against Peru, and it is more than likely that the incident was promoted by military sectors that are interested in destabilizing Ecuadoran democracy or, at least, in blocking the possibilities of the current government from remaining in power until the upcoming elections on 29 January. Everything is possible considering that the Rio de Janeiro Protocol is becoming a "recourse" that serves the uses of underlying policies in Ecuador.

RED CROSS TO INVESTIGATE RIGHTS VIOLATIONS

PY231605 Paris AFP in Spanish 1316 GMT 22 Jan 84

[Excerpt] Lima, 22 Jan (AFP) -- An International Red Cross mission arrived here this afternoon to investigate charges about human right violations, particularly the disappearance of persons involved in the antisubversive struggle in Ayacucho Department. The Red Cross mission, presided over by Georges Heumann and made up of four Swiss, is scheduled to visit Ayacucho, 575 km southeast of Lima, and to meet with President Fernando Belaunde and other members of the Peruvian Government. Several organizations, among them the Catholic Church, have submitted to the Interior Ministry and the courts charges about the disappearance of some 300 persons in Ayacucho Department.

FISHERIES MINISTER ON PESCAPERU OPERATIONS

PY231625 Lima Domestic Service in Spanish 1100 GMT 23 Jan 84

[Text] Fisheries Minister Ismael Benavides has said that PESCAPERU [State Fishmeal and Fish Oil Production Agency] will continue operating despite its serious financial troubles, but that it will be reorganized to prevent its shortcomings from being shouldered by the Peruvian people. Benavides has also hinted at the possibility of securing an IDB loan for private fishing.

BRIEFS

NEW SATELLITE TV NETWORK -- Miguel Alva, the chief of the National Communication System, has announced that through a French-Peruvian agreement, a satellite television network will be installed and that it will cover important border points through 15 transmission plants. [Text] [Lima Diplomatic Information Service in Spanish 2207 GMT 22 Jan 84 PY]

CONGRESS LEADERS, HERRERA CAMPINS ON NEW SESSION

PA240426 [Editorial Report] Caracas Domestic Service in Spanish at 2156 GMT on 23 January broadcast live a 55-minute ceremony from the Miraflores Presidential Palace in Caracas to notify President Luis Herrera Campins that both houses of Congress had begun the first period of regular sessions for 1984.

In a 15-minute speech, Senator Rafael Andres Montes de Oca, president of the Senate's Legislative Commission, made the notification in the name of the Senate. He advised the president that this year Congress will reform the state and adapt Venezuela's legislation to the country's new reality.

Deputy Marco Tulio Bruni Celli, president of the lower house's Legislative Commission, delivered a 13-minute speech advising the president of the Chamber of Deputies' installation. He said: "We are just 10 days away from the transfer of command from the administration which you presided over to the new one elected on 4 December 1983. The new president of the Republic, my friend and Compañero Jaime Lusinchi, had a long and intense career in the Congress, where he performed as deputy and senator for 25 years. For 10 of those years he was leader of the Democratic Action [AD] sector. This experience in addition to his other known circumstances and virtues, ensure and strengthen general confidence that in the next few years the legitimate and necessary relations of respect and cooperation between our two branches of government will be maintained and even expanded."

Bruni Celli conceded that the "democratic process has serious shortcomings that must be urgently corrected." He said that there is "excessive centralization and concentration of power in the hands of a few," in addition to autocratic practices at different political, administrative and social levels; corruption; anarchic growth of decentralized institutions; financial deficits, inefficiency in public services; and the squandering of state resources.

Bruni Celli recalled that President-elect Lusinchi had told the country that he has planned a "national crusade against corruption. In order to be effective, this initiative requires the support of democratic leadership over any personal or partisan consideration. The conduct and ethical principles of leaders have a decisive influence on collective conduct and social morale."

President Herrera Campins replied in a 27-minute speech in which he expressed pleasure at the notification of the installation. He said that "the people expect a great deal from their Congress in this new legislative period and this expectation extends also to the executive branch." The president concluded by wishing the leaders of both houses of Congress, as well as all its members, Godspeed and expressed the hope that they will give their best efforts for the welfare of the country.

BRIEFS

FOREIGN DEBT INTEREST -- Gustavo Galdo, director of the Treasury Ministry, yesterday said that Venezuela owed $150 million in back interest at the outset of 1984. He also confirmed that Venezuela will request a delay of 60 days, with a 30-day extension period, for the repayment of its foreign debt principal. [Summary] [Caracas EL NACIONAL in Spanish 6 Jan 84 p A-1 PA]

AUTHENTIC LIBERALS BACK ARIAS NOMINATION

PA241603 Panama City Televisora Nacional in Spanish 2300 GMT 23 Jan 84

[Text] The Authentic Liberals, who next Friday begin their party's registration process, have voiced their support of Arnulfo Arias' presidential nomination. Authentic Liberal leader Arnulfo Escalono said that personally he would like to be included on the Panamenista presidential ticket as second vice president, but that the decision will have to be made by his party's members.

Escalona pointed out that the Authentic Liberals are still seeking an alliance of the opposition parties. In that respect, Escalona explained, there is an opposition committee studying the economic, political, electoral, and government crisis affecting the country. The results of these studies could establish the foundation of an electoral development program, should the alliance be achieved.

Escalona described the Christian Democratic, Popular Action, and MOLIRENA parties as making up the real opposition, and voiced hopes that such an alliance can be achieved.

Referring to the registration of the Authentic Liberal Party, Arnulfo Escalono pointed out that if the electoral officer in charge shows good will, there will be enough time to obtain the required registration quota.

Asked about the amendments to the electoral law recently vetoed by the executive branch, Escalona said these will again be discussed in the next few days by the National Legislative Council. Escalona, who reiterated his partial support for the amendments, said that these offer the electoral tribunal an opportunity to amend the mistakes made in the electors' listings.

PEOPLE'S PARTY SEEKS TORRIJIST ALLIANCE

PA241807 Panama City Televisora Nacional in Spanish 2300 GMT 23 Jan 84

[Text] Today the People's Party [PDP] expressed its willingness to enter into alliances with parties that are committed to the Torrijos philosophy. PDP Secretary General Ruben Dario Souza Batista announced this at a press conference held today at the party headquarters. Souza was accompanied by Miguel Porcell Pena, first assistant secretary general; Cesar de Leon, second assistant secretary general; and Carlos Francisco Chagmarin, director of the party's publication, UNIDAD. The party has 35,906 registered numbers.

Souza made the following statement on the party's position: [Begin Souza recording] The nation's political activity has demonstrated that the majority of Panamanians support Torrijos' ideals. This has been expressed by the people in various actions, and if that is what the people want, then our party is prepared to defend the Torrijist process, in collaboration with any forces that support such programs. Thus, if the voting booths are to be the battlefield, we will be there to defend this process, along with other forces that support the program of change for the Panamanian nation proposed by General Torrijos. [end recording]

The communist leader revealed a five-point plan involving a progressive democracy, a model of national development, the consolidation of the nation's culture, the completion of the nation's decolonization, and a nonaligned foreign policy.

Asked about the presidential candidacy of Dr Nicolas Ardito Barletta, Souza replied: [Begin Souza recording] For us, the problem is the proposal. Regardless of our feelings for any given individual, we would want to know what the platform is, and if it is in line with that of General Torrijos; then, even if the candidate is not one of our choosing, we would be willing to enter into political agreements. So as far as Dr Nicolas Ardito Barletta is concerned, we expect him to express his platform clearly, and to declare whether he proposes a plan that is founded upon the ideals of Torrijos. [end recording]

ARDITO BARLETTA ON WORLD BANK ISSUES, CANDIDACY

PA242013 Panama City Circuito RPC Television in Spanish 0300 GMT 24 Jan 84

["Special Edition" program: Interview with Ardito Barletta, vice president of the World Bank, by Mayin Correa, in the RPC Television studios in Panama City; date not given -- recorded]

[Excerpts] [Correa] Good evening. I want to introduce someone we all know in Panama, Dr Nicolas Ardito Barletta. Dr Barletta has a distinguished international career. He is vice president of the World Bank, and he is working now to become a presidential candidate. Right now he is a potential candidate. He is working here now to obtain the support of political parties and to let the Panamanians get to know him again. We want to talk with him about his plans. Doctor, first I would like to ask you: Have you resigned from the World Bank?

[Barletta] No, Mayin, I have not resigned from the World Bank; I am on vacation. As you know, I have been invited by a group of Panamanian political parties to explore the suitability of my presidential candidacy.

[Correa] Doctor, we have talked about international loans on this program. It has been said that though international banks make loans to our Latin American countries, they don't have the necessary controls to ensure that the loans are used on the projects for which they were issued, and that many loans are misspent as a result, not only in Panama but in many other countries as well. Has the World Bank come up with ways, following the economic disaster reflected in our countries' huge debt, to establish controls?

[Barletta] Mayin, the experiences of the World Bank and the IDB are quite different. These institutions have controls and exercise supervision over projects in order to guarantee that loans achieve their objectives. No money is disbursed until bills confirming expenditures involved in a given construction project are presented and verified. Once the work is completed, the project is audited and its economic and social effects are evaluated with officials of that particular country.

[Correa] This sytem you are describing -- was it created recently, or has it always been there?

[Barletta] It has always been there.

[Correa] I think that you must make some adjustments, because I know of many loans that were not handled very strictly.

[Barletta -- laughing] No, I feel certain that if you look carefully at the projects that were financed by these institutions, you will see taat the work was completed, that there were public biddings, and that expenditures were controlled. But obviously, Mayin, control depends upon the governments working on the projects. An institution like the World Bank, which is owned by governments, can demand but it cannot impose. Remember that one of the charges against institutions like the one which I represent is that we try to impose our opinion on the various countries. The institution must respect countries and their sovereignty. The arrangement is a voluntarily agreed upon contract between the bank and a given country on the implementation of projects. This is a delicate issue.

[Correa] How did you come to work at the World Bank?

[Barletta] I was invited 6 years ago to occupy the position I hold. The invitation was made by Robert McNamara, who was the bank's president at that time. I was offered the position because, as you know, I had been involved in many activities throughout Latin America, including participation in the creation of the Latin American Exports Bank. I considered the offer a great challenge for me and an honor for my country. When I travel through Latin America, visiting presidents, ministers, and important businessmen, I am aware of the fact that I am a Panamanian who is trying to accomplish an international task.

[Correa] I imagine that you have met many presidents.

[Barletta] Yes, when I visit a Latin American country I pay the World Bank's respects to the president of the republic.

[Correa] Why haven't you resigned from the World Bank, if you know or believe that you will be a candidate?

[Barletta] You know, Mayin, that I am here this week because I was invited by some political parties to talk with them about the suitability of my presidential candidacy. This is not a fact yet, although I trust that it will be. When it does become a fact, I will resign from my current position and continue with the struggle based on a commitment to these political parties.

[Correa] Which parties, Doctor?

[Barletta] Mayin, I believe that they should make the public announcement. I must be very circumspect about my talks with the political parties. Some of them have already stated publicly that they are prepared to support me as a presidential candidate. Others have not said so yet. I believe that the respect they deserve from me requires that I let them make the announcement whenever they wish. I can tell you that there are six or seven political parties. If my candidacy serves to culminate the alliance on which they are working, then it is up to them to say so, and they will know when and how to announce it.

[Correa] Doctor, you are here as a possible presidential candidate. But the opposition, by which I mean General Paredes -- who is another candidate, though he has not yet been nominated -- has said that you are the candidate who has the support of the military. What do you say to this?

[Barletta] Naturally, I have a friendship with the commanders, the staff, and many officers in our Defense Forces, but I understand that they want open and honest elections and will therefore remain neutral.

I am here responding to an invitation from several political parties, including the Democratic Revolutionary Party and the Labor Party -- but there are others -- to talk about my suitability as a candidate for the country, for them, and for myself. If an agreement is reached, we can go on with a political campaign.

[Correa] Doctor, you have been out of Panama for 6 years.

[Barletta] That's right.

[Correa] You have maintained financial links with the country through the World Bank, but given your 6-year absence, are you aware of Panama's larger problems.?

[Barletta] I am very much aware of the general economic, political, and social situation in Panama, not only because this is part of my work but also because Panama is in my heart. I spent many years working to develop our country. I think that I have a profound knowledge of Panama's development problems and I think I know how to solve them. For the past year or two I have been holding talks with the so-called government and opposition parties. I have been talking with them because I am interested in the true situation, not only as I see it but as all of these groups see it, too.

[Correa] Doctor, some have tried to create an image of you as a semiofficial candidate, the candidate for continuation. It would not be bad to be considered a continuation of something good, but they mean a continuation of the bad things that have happened in the last 16 years: of the social security disaster; the economic stagnation; the housing law, which has done so much harm to middle-class housing construction; the labor code law, which is always misinterpreted by the ministers, although it is said that the problem is one of interpretation, and although there are always complaints about the labor code, which many sectors suggest is seriously affecting labor-management relations. They mean that you are the semiofficial candidate for the continuation of the bad things that have happened in the past 16 years. What do you say?

[Barletta] We can say several things about this. Everyone here knows, and I admit and confirm it, that I was a member of the government cabinet for 7 years, from 1968 to 1970 and from 1973 to 1978. I served with General Torrijos in his efforts during those periods because he invited me to assist in the development of our country. I know, and this can be stated very clearly, that during the time I served with General Torrijos much work was done here in support of the development of our people. But I have not been here for the past 6 years. I am not a government official right now.

I personally feel that what happened at the Social Security Institute shocked our people, and that it must be fully corrected. I believe the judicial branch is in charge of this case, and that steps must be taken to establish responsibilities. This type of thing cannot be allowed in our country because it causes us to lose the people's faith. This cannot be tolerated if we are to push the country forward. So I am the first one to say that justice must be applied, that these cases must be taken to the judicial system. Let them solve the problem and establish responsibilities. I also believe it is important not to make false charges, because when rumors are started, people are pronounced guilty before their trials.

PARAMILITARY FORCES REPORTED AT UNIVERSITY

PA241649 Panama City LA ESTRELLA DE PANAMA in Spanish 24 Jan 84

[From "The Griper" column]

[Text] The existence of paramilitary forces on the university campus has been reported following an attack on Mayin Correa [Corregimiento representative and newswoman] there. The entire community has joined the protest of those who cannot understand why the free interplay of ideas is not tolerated in our center of higher learning.

COLUMNIST ON U.S. MILITARY 'PLANS' FOR REGION

PART I

PA231742 Panama City MATUTINO in Spanish 19 Jan 84 p 6-A

["Today" column by Demetrio Olaciregui: "'CONDECA,' Part 1"]

[Text] Within the space of a few hours, the public was informed of certain aspects of the annual report of activities of the Central American defense Council (CONDECA) that was released in Guatemala on Monday, and of the existence of a confidential document that was circulated in the U.S. Congress in November, in which top-ranking officials of President Reagan's administration considered military formulas for resolving the Central American crisis.

Consultations and analyses of Central American data allow one to conclude that as currently structured, the CONDECA has purely administrative functions. Nevertheless, there are some military forces, particularly some in the Southern Command based in the Panama Canal area, that are exerting pressure to have CONDECA establish a helicopter base in Panama and set up a regional center for combat rations and for regional production of light military equipment.

Staying in the vanguard of reports on the Central American crisis, AFP revealed on Tuesday that the confidential document circulated in Congress contains extensive details of a war plan prepared by the Southern Command for the utilization of U.S. combat troops in Central America, beginning with those that are involved in the present and planned joint exercises in Honduras, with the immediate mission of entering into action in Nicaragua or El Salvador and facilitating the possible evacuation of the 6,000 U.S. citizens who reside in Nicaragua.

The information in the confidential document indicates that the Southern Command would be responsible for coordinating military operations against Nicaragua to expand U.S. military power in the area, so that the United States would be prepared to respond from the south to a possible threat from Cuba.

The Southern Command and the U.S. Embassies in Panama and Honduras are feverishly working to get Costa Rica and Panama to join Guatemala, Honduras, and El Salvador in launching an operation against Nicaragua. All this is part of a plan to generate regional opposition to the Sandinist government.

In Central America, the United States currently has access to military airports in Honduras and is considering $21 million in improvements to the airports in Comayagua and La Ceiba. There are plans to build a $160-million naval base in Puerto Castilla. In addition, 100 U.S. military advisers operate a radar site 32 km from Tegucigalpa, while other advisers are building a new radar site on Isla del Tigre in the Gulf of Fonseca, a large regional hospital to treat wounded Salvadorans in Comayagua, a military equipment depot in San Lorenzo, and a series of intelligence platforms [plataformas] to be activated in coordination with others in Central America.

Within these plans, between 29 January and 3 February U.S. and Honduran troops will carry out an aerial attack exercise in response to a hypothetical Nicaraguan invasion in the vicinity of Aguacate and Jamastran, 26 km from the Nicaraguan border. This area has been described as the main supply point of anti-Sandinist groups operating from Honduras.

With the establishment of the $32-million military training center in Puerto Castilla, the United States seeks to involve instructors from Guatemala, Peru, Venezuela, and El Salvador in the coordination of preparations for a war, plans for which are being intensified with bloodcurdling speed.

Part II

PA231910 Panama City MATUTINO in Spanish 20 Jan 84 p 6-A

["Today" column by Demetrio Olaciregui: "'CONDECA' Part 2"]

[Text] Recent divergent viewpoints of the area armies regarding the Central American problem, together with renewed border clashes between El Salvador and Honduras -- compounded by prolonged skirmishes along the Honduran-Nicaraguan border -- allow us to foresee that it would be a difficult task to make the Central American Defense Council (CONDECA) operational.

That is why the Southern Command, led by General Paul Gorman, has a plan aimed at strengthening the Salvadoran Army by increasing its manpower from 33,000 to 50,000, with an inflow of more than $200 million in military aid in 1984. According to a confidential document that circulated in the U.S. Congress in November, and that was made public on Tuesday, Gen Gorman entrusted to General Woerner the plan to build the "new army" in El Salvador.

According to Gen Woerner, the goal of the plan should be to vanquish the Communist-led Salvadoran guerrillas by October 1985. To win the war, the United States must send $1.4 billion to El Salvador -- $374 million in military aid and $1,026,000,000 in economic aid -- during the 1984 and 1985 fiscal years. According to the document, the Southern Command has estimated that El Salvador will need $234 million in aid in 1984. This money would be used to increase the Army to 52 counterinsurgency units and 7 rapid deployment battalions. A news agency concluded that the Kissinger commission, without acknowledging it, has supported the Southern Command's military operations by requesting $400 million in military equipment for El Salvador to break the current "military standoff."

The document issued in November, but not made available to the press until this month, did not reflect any illusions that Congress would approve a 2-year, $1.4 billion package for El Salvador. Therefore, it made it clear that to achieve a victory in that Central American nation the Reagan administration has four alternatives:
-- Lose El Salvador.
-- Continue the bloody standoff.
-- Change its policy and direct it toward negotiation.
-- Send in U.S. troops.

As reflected in the regional situation, the problems involved in converting CONDECA from an administrative body to one that takes action in the Honduras-Nicaragua crisis are forcing the Southern Command to build a new Salvadoran army, and to create a Guantanamo-like base in Honduras to mobilize troops and to serve as a bridge in case of an emergency in El Salvador or Nicaragua, or an action against Cuba from the south.

Panama and Costa Rica have reiterated their neutrality in the crisis, and recently Guatemala seems to be inclined to remain impartial. This position favors the efforts of the Contadora Group, in addition to Panama, Mexico, Colombia, and Venezuela [as published], which are close to the borders of the countries involved in the crisis, and which would be the losers if a war exploded on their doorsteps, even if it were won by the United States, "according to a news agency analyst who, citing the confidential document, attributed "miraculous survival" powers to the Contadora Group. [quotation marks as published]

PAPER ON HANDLING OF DEBT, U.S. SENATOR'S VIEW

PA201936 Panama City MATUTINO in Spanish 20 Jan 84 p 4-A

[Editorial: "Panama's Position on Its Debt"]

[Text] One of the factors that the opposition to the current regime has most frequently and intensely criticized is that of our indebtedness, which the great financiers on the opposition side regard as astronomical, disastrous, and irredeemable. According to them, it commits both present and coming generations well into the distant future. According to the brilliant minds in the opposition, this indebtedness would continue to increase geometrically, because the government, they say, goes on merrily spending without considering what might be the best methods for handling a situation of this sort.

The response to this position has come from a highly qualified external source in the world of finance, which has no reason to concern itself with whether the current situation was created by this or any other particular Panamanian team. After learning firsthand about the state of the debt of each of the Latin American countries, Senator Howard Baker, Republican leader in the U.S. Senate, has commented that Panama has handled its debt much better than the other hemispheric countries.

It is worth noting that this is no coincidence. It is the result of an entire economic strategy implemented responsibly and with dedication by the government, and of our people's patriotic stance, because they have paid their taxes and have accepted the austerity and order implemented by the government in regard to public expense. It is within this well-defined, firm, and responsible framework that the results that Senator Baker has very briefly but also very specifically referred to were obtained.

Due to these results, Panama can face the immediate future with optimism. Naturally, we must also be cautious in order to avoid disaster, but it can indeed be avoided if we adhere closely to the policy outlined by the government, despite the stubborn hullabaloo created by an intransigent opposition.

LOCAL AIRLINES AFFECTED BY U.S. MEASURES

PA210421 Panama City Televisora Nacional in Spanish 2300 GMT 20 Jan 84

[Interview with Felix Picardi, Civil Aeronautics Board transportation director, by Diana Arosemena, Televisora Nacional News Department director, on 18 January, in Panama City -- recorded]

[Text] [Picardi] At this moment we are drafting a document to the U.S. Government office in charge of implementing the Reagan plan [Caribbean Basin Initiative], to request a postponement of the measures that will affect the operations of Panamanian airlines that fly to the United States.

[Arosemena] Exactly what is the Panamanian Government asking in this document?

[Picardi] The government is asking the United States to postpone the measures that some authorities are already trying to implement. The International Civil Aviation Organization established that 1988 would be the date for Panamanian airlines aircraft to be taken out of service. However some U.S. airport authorities have advanced the date to 1985, and others to even before 1985. The document requests that such measures be postponed; otherwise, INAIR DC-8 cargo plane service to the United States will be seriously affected.

[Arosemena] We have been told that a huge investment of money will be required. Are the Panamanian airlines in a position to make such an investment? If not, how will this affect air transportation?

[Picardi] In order to meet the requirements, local airline companies that are using the J8T3D-type motor will have to invest a lot of money. The financial situation of these companies and of business in general is not the best at this moment. Nevertheless, these companies have plans to replace some of their equipment. If they are allowed more time, they can replace or repair their planes so they can continue serving until 1988 or even beyond that date.

[Arosemena] We have heard that our airline companies will charge violations to the nation's aeronautics treaty. What does this mean?

[Picardi] Any measure implemented unexpectedly or on short notice will affect our airlines' competitive capacity, which to some degree violates the Chicago Agreement and the Air Transportation Agreement that we signed not long ago with the United States. However, Miami Airport authorities have made some recommendations that can contribute to lessen the negative effects of the measures. If our request is not accepted, we will have to ask U.S. aeronautics authorities for a meeting.

BRIEFS

NEW EGYPTIAN AMBASSADOR -- Muhammad 'Abd al-'Aziz Sharara, new Egyptian ambassador to Panama, arrived in Panama on 20 January. [Summary] [Panama City LA ESTRELLA DE PANAMA in Spanish 21 Jan 84 pp A-1, A-14 PA]

EL SALVADOR

REBELS AMBUSH ARCE BATTALION, INFLICT CASUALTIES

PA242359 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 1830 GMT 24 Jan 84

[Text] Yesterday troops of the Arce Battalion, trained in Puerto Castilla, Honduras, suffered new casualties -- dead and wounded -- when they were ambushed between Osicala and Delicias de Concepcion, Morazan Department. In the eastern areas of our country enemy troops are being defeated while our people's army advances and reaps victories.

On 22 January Cazadores Battalion troops stationed in Usulutan suffered one casualty, a radio operator, when they clashed with an FMLN patrol near El Transito. More reports from the eastern areas state that the town of Intipuca, La Union Department, was occupied for 4 hours. On that same day we occupied part of the Coastal Highway between (Jalpatacua) and the (Guilcala) turnoff. We withdrew from the occupied area after fulfilling our objectives. The enemy never appeared.

On 22 January we also occupied Chirilagua, San Miguel Department. We carried out political and propaganda work among the residents of the town. More information recieved by Radio Farabundo Marti tells of sabotage actions against power lines strung from Cerron Grande to San Salvador. This action was carried out on 23 January. Four electric posts were sabotaged near the San Jose Las Flores neighborhood, north of San Salvador. As we already reported troops of the Arce Battalion are continuing to suffer casualties. Yesterday afternoon we ambushed an Arce Battalion patrol between Ocicala and Delicias de Concepcion. We will expand on this information in future broadcasts.

Our weapons to fight and win!

CLASHES WITH ARMY REPORTED IN EASTERN AREA

PA241305 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 24 Jan 84

[Text] At least 36 soldiers were either killed or wounded in crashes over the weekend in the eastern part of the country, the Armed Forces Press Committee, COPREFA, and other military sources reported.

San Salvador Radio stations, quoting military sources, reported that 5 soldiers from the Atlacatl Battalion were killed and 19 were wounded near San Agustin Tres Calles, Usulutan Department, where the Army is implementing a CONARA [National Commission for the Reconstruction of Affected Areas] program devised by U.S. strategists.

The same sources indicated that the Atonal Battalion also suffered nine casualties in the area of the Tres Calles. Meanwhile, in Morazan Department, near Sociedad, southeast of the Torola River, Cazadores Battalion and 3d Infantry Brigade units clashed with FMLN forces, in which the dictatorship's troops suffered three casualties.

White the Army proceeds to transport thousands of men, including the special battalions and other units, to Usulutan Department for use in the CONARA Plan, which was originally created by the North Americans for use in Vietnam, where it obviously failed, Rafael Arce Zablah Brigade units mined the Obrajuelo military landing strip, destroyed a power substation in San Rafael Cedro and the San Luis coffee plantation processing plant, staged other actions on the outskirts of San Miguel, and occupied the village of Moncagua, all over the weekend.

The damage inflicted on the oligarchy's economy with the sabotage of the San Luis coffee plantation, only a few kilometers from the 3d Infantry Brigade garrison, was estimated to be several hundred thousand colones. All of the coffee that is produced in the eastern part of the country was stored at this plantation.

GUATEMALA

POLITICAL CIRCLES UNHAPPY WITH ELECTORAL LAW

PA240431 Guatemala City EL GRAFICO in Spanish 21 Jan 84 p 5

[Text] Guatemala, 20 Jan -- The electoral law fell like a bucket of cold water on national political leaders' spirits, resulting in diverse opinions and commentaries on the subject, all of which nevertheless agreed on the government's lack of interest in the reasonable statements and objections that were opportunely submitted.

Terms such as "arbitrary actions," "governmental manipulation," "weakening of the process," and "incomprehensible attitude" have emerged in the declarations issued by several political commissions upon learning of the contents of the electoral law, which is to regulate the formation of the national constituent assembly. With the strong consensus existing on the need to reform some articles of that law, it was logically expected that this document would fulfill the aspirations of all political trends.

PNR LEADER SAYS SON DETAINED BY AUTHORITIES

PA241227 Guatemala City EL GRAFICO in Spanish 21 Jan 84 p 8

[Text] Sidney Jongezoon, of the National Renovating Party [PNR], yesterday morning told this newspaper that approximately 100 policemen in 2 vehicles had arrived at his home to arrest his son Eric Jongezoon.

Jongezoon charged to ranking government officials that the policemen "took furniture, books, clothes, valuables, and household goods. They broke doors and fixtures. They caused much damage." Eric Jongezoon, 21, is a psychology student at San Carlos University. His father is asking the authorities to turn him over to the justice tribunals so his situation can be clarified, and is demanding guarantees for his whole family. Sidney Jongezoon was a PNR candidate for deputy from Chiquimula Department in 1982, and he describes himself as an old and authentic anticommunist militant.

FOREIGN MINISTER OPENS GROUP OF 77 MEETING

PA241805 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 24 Jan 84

[Excerpt] A meeting of government experts from the Group of 77 was officially inaugurated at noon today with a reception at the Dorado Hotel.

The official opening ceremony was attended by Foreign Minister Fernando Andrade Diaz-Duran, who, speaking on behalf of the government, welcomed the representatives to this important meeting, which will primarily deal with trade-related services. In his speech, Andrade Diaz-Duran also pointed to the breakdown of the international economy, which has resulted in alarming and profound changes in our economy, especially in view of the countless number of obstacles encountered in exporting our basic products.

In conclusion, Andrade Diaz-Duran said that this event gives Guatemala the opportunity to tell all of the delegates that it is committed to its search for genuine democracy. To this effect, the relevant laws are already being enacted. The meeting, which will last until 27 January, will deal with such important topics as a review of technical and economic cooperation among the developing countries in the areas of transportation, communications, maritime transportation, and life insurance, in an effort to promote such cooperation.

More than 30 countries and several international orgnaizations are attending the meeting, including the SIECA [Secretariat of Central American Economic Integration], ECLA, SELA, ICAO [International Civil Aviation Organization], UNCTAD, and a UN commission on multinational enterprises, as well as the Secretariat of the Central American Monetary Council.

EGP COMMISSION ON AMBUSH IN EL QUICHE CITED

FL241315 Mexico City NOTIMEX in Spanish 0418 GMT 24 Jan 84

[Text] Mexico City, 23 Jan (NOTIMEX) -- The Poor People's Guerrilla Army (EGP) today disclosed that it ambushed a group of soldiers and paramilitary personnel on 13 January, killing 17 and wounding 3.

In a communique delivered to NOTIMEX, the EGP admitted that one of its members was killed in the action, which occurred in Manaco, Ixcan, El Quiche Department. In the operation, the EGP seized 7 Galil rifles and 950 cartridges. The ambush, it noted, was staged near the Monaco garrison and most members of the military group were forced to withdraw. Fighting ensued later as the rebels tried to hold off government reinforcements, and one guerrilla was killed in the action.

HONDURAS

NICARAGUA REQUESTS VISIT TO MISKITO REFUGEE CAMPS

PA241442 San Pedro Sula TIEMPO in Spanish 23 Jan 84 p 4

[Text] Tegucigalpa -- The Managua government has requested permission through its for a Nicaraguan delegation to visit the Miskito refugee camps in Gracias a Dios to discuss the scope of the amnesty decree granted to the Indians.

Another embassy communique noted that Nicaragua expresses "its deep concern" over the creation of a joint Honduran-U.S. military base in the coastal area of Castilla.

An official bulletin issued Saturday by the Nicaraguan diplomatic mission referred to a formal request to the government of President Roberto Suazo Cordova to allow a Sandinist delegation to enter the refugee camps in Gracias a Dios Department. The prupose of the request is to give the visitors the opportunity "to explain the amnesty decree in detail, giving the refugees the opportunity to return home without any risk, and to participate in the electoral process we are about to initiate in Nicaragua." The embassy trusts that "according to the latest agreements of Contadora, the Honduran Government will help facilitate the voluntary return of the Nicaraguan citizens taking refuge in Honduras."

According to unofficial figures, there are approximately 20,000 Nicaraguan Miskitos in Honduras in several camps managed by the UN High Commissioner for Refugees in Gracias a Dios Department.

SALVADORAN 13 JAN AIRSPACE VIOLATION PROTESTED

PA250138 Panama City ACAN in Spanish 0059 GMT 25 Jan 84

[Text] Tegucigalpa, 24 Jan (ACAN-EFE) -- The Honduran Government today protested to El Salvador for an airspace violation on 13 January by a Salvadoran Air Force plane.

The Honduran protest states that a Salvadoran Israeli-manufactured Arava plane overflew the towns of Juniguara, La Teja, and San Antonio, all in La Paz Department in central Honduras.

In "San Antonio the Salvadoran plane dropped a grenade that claimed no victims."

In his protest, Honduran Foreign Secretary Edgardo Paz Barnica told Salvadoran Foreign Minister Fidel Chavez Mena that he hopes that acts of this nature will not be repeated because "they affect the existing relations between the two countries."

COLONEL INVOLVED IN BORDER INCIDENT DISMISSED

PA241517 San Pedro Sula TIEMPO in Spanish 23 Jan 84 p 5

[Text] A report of the dismissal of a ranking Honduran military officer has been supplied by Armed Forces chief General Gustavo Alvarez Martinez to a foreign correspondent.

Colonel Danilo Ferrara Suazo, the commander of the 110th Military Brigade stationed in the eastern Department of El Paraiso, will be dismissed from his post and retired from active service following his statement to THE WASHINGTON POST on the border incident in which troops of the Sandinist army killed a U.S. pilot.

THE WASHINGTON POST report, dated 19 January and released by EFE, said that "a Honduran colonel in charge of the military region in which pilot Jessie Schwab was supposedly shot by Nicaraguan troops affirmed that 3 days before the incident he had received a radio message notifying him that the helicopter would fly over the border."

"Honduran Colonel Danilo Ferrara," the report continued, "showed the POST the written copy of the message revealing that the presence of the U.S. OH-58 helicopter over Nicaraguan airspace was not due to weather conditions, as claimed by the U.S. explanation of the incident."

The announcement of the dismissal of Colonel Ferrara Suazo was made by the Armed Forces command. The Honduran Armed Forces, through its public relations office, will today issue a communique clearly and definitely fixing its account of the border incident, in which Sandinist army troops were involved.

CENTRAL AMERICA PEACE PLAN DRAFTED BY GOVERNMENT

PA241431 San Pedro Sula LA PRENSA in Spanish 23 Jan 84 p 2

[By Marco Tulio Romero]

[Text] Tegucigalpa -- The Honduran Government this week will draft an extensive document on the pacification of Central America that it will submit for consideration at the foreign ministers meeting to open 31 January in Panama.

The document is the result of careful studies, and is considered of utmost importance, since it is in line with the objectives of the Contadora Group.

The members of the political committee and the advisory group are opening a continuing round of working sessions today, showing the nation's concern over the Central American crisis. Some of the main views held by Honduras include the need to establish military equilibrium in view of the progressive growth shown by Nicaragua in this respect. The political committee, which includes Jorge Ramon Hernandez Alcerro and Fausto Castillo Suazo, will establish the basic pattern to follow in that respect as the most critical point of the issues to be discussed in Panama.

In statements issued by Foreign Secretary Edgardo Paz Barnica, the Foreign Secretariat has insisted on the need to find formulas for development and greater economic cooperation to address the large social problems of the isthmus.

NICARAGUA

SPEEDBOAT ATTACKS LINKED TO U.S. WARSHIPS

PA250359 Panama City ACAN in Spanish 0319 GMT 25 Jan 84

[Text] Managua, 24 Jan (ACAN-EFE) -- The Nicaraguan Government believes that the speedboats that have attacked the country's ports in the past few weeks came from U.S. warships anchored off the Nicaraguan coast.

A press bulletin released by the Nicaraguan Foreign Ministry this evening includes this charge and denounces new actions by unidentified aircraft and speedboats along the Nicaraguan Pacific coast. The communique states that on Saturday two speedboats and an unidentified aircraft machinegunned the "Carlos Fonseca," a Nicaraguan fishing boat, while in Nicaraguan territorial waters. The official note states that the attacked fishing boat was 1,500 meters off the Puerto Sandino coast.

Simultaneously, according to the Foreign Ministry, another unidentified aircraft flew over Nicaraguan jurisdictional waters 24 miles off the coast of Puerto Sandino. The communique adds that after the attack the speedboats and the aircraft headed southeast. The Nicaraguan fishing boat suffered no damage. According to reports received by the Foreign Ministry, on the same day another speedboat was spotted in the evening approximately 1,000 meters off the Montelimar coast, Managua Department. The speedboat shot flares in the direction of the Masachapa beach resort.

That same night another unidentified aircraft flew over Masachapa and shot flares in the area, the Foreign Ministry adds.

The Nicaraguan Government, in denouncing these actions, "calls attention to the presence of U.S. warships along our coast; this makes us believe that these are used as a means of transportation for the speedboats that constantly attack civilian and economic targets in Nicaraguan territory." The Foreign Ministry underscored that the vessels, after attacking positions in this country "withdraw in the direction of the U.S. warships anchored off the coast of our country."

FOREIGN MINISTRY PROTESTS PEASANT KIDNAPPINGS

PA242044 Managua Radio Sandino in Spanish 1830 GMT 24 Jan 84

[Text] The Nicaraguan Foreign Ministry has sent a new protest note to Honduran Foreign Secretary Edgardo Paz Barnica protesting the kidnapping of 30 peasants by counter-revolucionaries.

According to the protest note, on 16 January at 1900 a group of approximately 70 Somozist mercenaries staged an incursion from Honduran territory through (El Tablazon), 6 km north of (Repunto). During this incursion 30 peasants were kidnapped and taken to the counter-revolutionary camp located in [word indistinct] in Honduran territory. Subsequently, on 18 January at approximately 1300 peasant Santos Facundo Sanchez Carcamo managed to escape and on his return gave an account of what had happened.

On presenting its most energetic protest over this new action, the Nicaraguan Government demands the return and repatriation of the kidnapped peasants.

DANIEL ORTEGA INTERVIEW WITH SOVIET TV CITED

PA232013 Managua International Service in Spanish 0000 GMT 22 Jan 84

[Text] Commander of the Revolution Daniel Ortega has told Soviet television that the U.S. invasion of Grenada confirms that the Reagan administration has not abandoned its plans to intervene directly in Nicaragua.

The coordinator of the Nicaraguan Government Junta said that Nicaragua was the first to endorse the Contadora Group's peace efforts. However, the Nicaraguan people are civically and militarily prepared to repel any imperialist attack, he said.

The Sandinist leader stressed that while the Reagan administration has placed an economic embargo on Nicaragua, the Soviet Union was the first to offer its support in developing Nicaragua's economy.

PRAVDA Report

For a PRAVDA report on an interview with Daniel Ortega Saavedra, coordinator of the Nicaraguan Junta of the Government of National Reconstruction, carried by Soviet Central Television on 21 January, see the Latin America and Caribbean section of the 25 January Soviet Union DAILY REPORT.

NETHERLANDS WORKERS PARTY LEADER PLEDGES SUPPORT

PA232013 Managua International Service in Spanish 0000 GMT 22 Jan 84

[Text] We will support the peace efforts and not the negative Kissinger report, said (Vat Vanderberg), leader of the Netherlands Workers Party, who recently visited Nicaragua

(Vanderberg) met with Commander of the Revolution Bayardo Arce to discuss very important topics regarding the imperialist aggression against Nicaragua. The Netherlands workers' leader expressed the support of the Netherlands people for Nicaragua.

ORTEGA CREDITS ECONOMIC GROWTH TO OUTSIDE AID

PA242021 Bluefields Radio Zinica in Spanish 1800 GMT 24 Jan 84

[Text] Commander Daniel Ortega, coordinator of the Junta of the Government of National Reconstruction, has noted that Nicaragua has achieved a 5-percent economic growth rate as a result of the Nicaraguan people's efforts and international solidarity. This demonstrates the support offered to Nicaraguans by the Western European countries, the socialist community, and Latin American countries such as Mexico, without whose support such growth could not have been attained.

Ortega noted that the critical situation in Nicaragua is maintained because of the U.S. Government's permanent threat of aggression, which makes firm advances difficult. Commander Ortega further said that the reality of the Nicaraguan crisis must be understood. This reality is also experienced in other Latin American countries.

COUNCIL APPROVES POLITICAL PARTIES REGULATIONS

PA250254 Panama City ACAN in Spanish 0201 GMT 25 Jan 84

[Text] Managua, 24 Jan (ACAN-EFE) -- The Nicaraguan Council of State (parliament) today approved the 36-article regulations to the Political Parties Law.

The regulations complement the Political Parties Law on the actions, establishment, authorization, suspension, and cancellation of political parties.

Article 1 of the Political Parties Law recognizes that all Nicaraguan citizens have the right to organize political parties.

Article 19 of the same law adds that persons wanting to establish a political party must obtain authorization from the "National Council of Political Parties (CNPP)," which must make a decision on the request within 30 days of its receipt.

PSC PICKS PRELIMINARY PRESIDENTIAL CANDIDATES

PA241747 Managua Radio Sandino Network in Spanish 1200 GMT 24 Jan 84

[Text] The opposition Social Christian Party, PSC, has chosen Eduardo Rivas Gasteazoro and Adan Fletes as preliminary candidates for the 1985 presidential elections, PSC Secretary General Agustin Jarquin Anaya announced yesterday.

Jarquin Anaya explained that the two politicians were selected by the PSC National Directorate and that the actual candidate will be selected in early February.

Rivas Gasteazoro, 58, is the PSC counselor and president of the Ramiro Sacasa Guerrero Democratic Coordinating Board. Prior to the revolutionary triumph he represented the PSC in the Broad Opposition Front, FAO, a coalition which tried to install Somozism without Somoza.

Adan Fletes, 36, is currently secretary general of the Christian Democratic Union of Central America and is the party delegate to the National Assembly of Political Parties.

LA PRENSA CRITICIZES FSLN, PLANNED ELECTIONS

PA230343 Managua LA PRENSA in Spanish 17 Jan 84 pp 1, 10

[Editorial: "The 1985 Elections: Will There Be Equal Opportunity?"]

[Text] Elections are essential in any democratic process. LA PRENSA defended this countless times in 1980 when BARRICADA and EL NUEVO DIARIO were daily expressing on their editorial pages their opposition to the holding of elections in revolutionary Nicaragua.

With the lifting of the ban on talking about elections, we welcome the return to the topic, but we must point out the vices and defects we have found in the way these elections are being planned.

First of all, the only ones acting as legislators in regard to the elections have been the FSLN and the political parties comprising the FPR [Patriotic Front of the Revolution] which, without the participation of the democratic opposition parties, have drafted all the laws. In the second place, the law expressly prohibits politicians outside the country (Robelo, Calero Portocarrero, Eden Pastora, Jose Davila, Ismael Reyes, Wilfredo Montalvan, Fabio Gadea, Pichichin, Arturo Cruz, and other prominent leaders who opposed Somoza and are in exile) today from participating in the elections. In the third place, the 4 and 1/2 years of Sandinist government have created a power structure that places the government party at an advantage. This structure is comprised of a Sandinist, in other words a party, Army, police, Air Force, and Navy that will have the right to vote for the government candidate. Those military men will also play a double role during the electoral campaign and on election day. They will watch over the order and fairness of the electoral process and, at the same time, will seek to have the FSLN win the election through their votes and propaganda. We can be sure that this situation will create problems.

Another power structure favoring the FSLN is the government employees who do not yet have a civil service law to defend their political freedom, their right not to be removed from their positions due to political reasons, etc.

The government party also benefits from the wealth accumulated by the state and used by the FSLN for its propaganda, promotion, mobilization, and proselytism. Based on the FSLN's historical behavior, we have the right to ask whether that political party will continue to give the day or afternoon off to government employees so that they can attend its demonstrations; if it will continue to use state-owned trucks, buses, trains, and other means of transportation to take people to its rallies; if it will continue to pressure workers of the People's Property Area [APP] enterprises to join the FSLN; if the CDS [Sandinist Defense Committee] -- which is a party organization -- will continue to demand participation in its meetings and in the revolutionary vigilance as a condition to grant good conduct letters or other documents needed for civil procedures; or if the CDS will continue to distribute staples to the people, thus having in party hands an instrument of pressure.

Another power structure that the FSLN has to give it an advantage over the other parties consists of the control -- not legal but de facto -- of the country's television system, the former NOVEDADES that today is BARRICADA, and several powerful radio stations that belonged to Somozists and now belong to the FSLN.

What party or group of parties can have for their exclusive use such a well-established battery of radio stations, newspapers, and television stations as the one the FSLN has?

Another essential element in free elections is full freedom of expression for the opposition media. In the specific case of Nicaragua, the prior censorship that still exists against LA PRENSA should be lifted and the 20 newscasts that were suspended on 15 March 1982 should be reestablished, permitting them to issue opinions and broadcast without prior censorship.

Another element favoring the government party is the weakening of private enterprise, which has lost many human resources who have left the country, and much of its productive capacity and its economic drive, all of which reduce its leadership.

An essential element in honest elections is the registration of the population and indivudal identification through cards that would make it impossible for anyone to vote more than once.

The FSLN must also restore the opposition members' faith that their human rights will be respected despite their opposition to the government, that the mobs will stop acting, and that their property will not be confiscated because they have publicly expressed views against the government, as was the case with Ramiro Gurdian. It must also reestablish the oppositions' faith that the personnel directors in the ministries, autonomous institutions, and APP enterprises will not take reprisals against opposition members who work there.

As we can see, the mere promulgation of an election law does not constitute an opening, an original act by FSLN, or the democratization of the country.

We hope that the FSLN will hear the concerns and suggestions expressed in this editorial and in similar ones and that it will correct the existing power structures that destroy equal opportunity so that the 1985 elections will truly be the first free, secret, and honest elections that Nicaragua has had in its history.

VOICE OF FREE NICARAGUA GIVES ARDE WAR BULLETINS

15-20 Jan Actions

PA241645 (Clandestine) Voice of Free Nicaragua in Spanish to Nicaragua 0100 GMT 24 Jan 84

[War bulletin No 153 released by the General Command of the Democratic Revolutionary Alliance Armed Forces "in the mountains of Nicaragua" on 23 January]

[Text] The General Command of the Democratic Revolutionary Alliance [ARDE] Armed Forces reports to the Nicaraguan people and the world's democratic peoples:

1. At 1000 on 15 January, the Jose Ramon Chavez Bishop column for 20 minutes harassed the (Amalia) post north of Colon, only 22 km from Rivas. No information was made available on the enemy's casualties. Our fighters were attacked with mortar fire, but the shells missed their target. We suffered no casualties.

2. The brave patriots of the Gaspar Garcia Labiana Column, led by Companero Gordo, have continued to inflict serious casualties on the FSLN's interventionist forces. At 0600 on 17 January, the column ambushed an EPS [Sandinist People's Army] squad in the (Cano Chiquito) area, 40 km from Nueva Guinea. The clash lasted 15 minutes. The enemy suffered one dead and one wounded. The rest fled, and we recovered the following: No 90 motor tools [as heard], AK-47 cartridges, three magazines, three hammocks, and one [word indistinct].

3. At 1400 on the same day, this same column led by Companero Gordo again attacked Atlanta harbor, 25 km from Bluefields and 92 km from the southern border, and inflicted numerous casualties on the interventionist army. While withdrawing, the column ambushed an EPS motor launch 1 and 1/2 km from Atlanta harbor, wounding or killing its eight occupants. The clash lasted 15 minutes. In these three actions, we suffered no casualties.

4. At 1530 on 20 January, another Gaspar Garcia Labiana olumn, led by Companero Papachu, ambushed two EPS patrols, inflicting five casualties at (La Gaspar) 20 km from Atlanta and about 83 km from the southern border. The clash lasted 5 minutes. We suffered no casualties.

Without totalitarianism or a return to the past!

Nine Sandinists Defect

PA241701 (Clandestine) Voice of Free Nicaragua in Spanish to Nicaragua 0100 GMT 24 Jan 84

[War Bulletin No 154 released by the General Command of the Democratic Revolutionary Alliance Armed Forces "in the mountains of Nicaragua" on 23 January]

[Text] The General Command of the Democratic Revolutionary Alliance [ARDE] Armed Forces reports to the Nicaraguan people and the world's free peoples: On 17 January, the Barba Two patrol met nine members of the Sandinist People's Militias who were carrying a white flag. These men expressed their willingness to join ARDE and reported that they had defected from the (Los Chiles) camp in San Carlos jurisdiction, leaving their guns behind in order to surrender. They said they had made this decision because they believed it made no sense to defend an unfair cause that oppresses our people. For this reason they decided to join ARDE. The men's names are: Esteban Betanco Carrasco, Margarito Gomez, Arturo Aguilar, Nemesio Casco, Ramon Quintero, Tomas Reyes, Adrian Aguilar, Leoncio Benavides, and Secundino Aguilar. They were accepted as new members of our army.

Without totalitarianism or a return to the past!

EPS Patrol Ambushed

PA241733 (Clandestine) Voice of Free Nicaragua in Spanish to Nicaragua 0100 GMT 24 Jan 84

[War Bulletin No 155 released by the General Command of the Democratic Revolutionary Alliance Armed Forces "in the mountains of Nicaragua" on 23 January]

[Text] The ARDE Armed Forces General Command reports to the Nicaraguan people and to the world's democratic peoples that:

At 1300 on 22 January, the Barba Six squad ambushed an EPS [Sandinist People's Army] patrol in (San Jose Igloma), in the jurisdiction of Morrillo. The 15-man patrol offered no resistance, surrendering immediately. Of the 10 militiamen and 5 engineers that made up the patrol, 2 fled. The names of those who surrendered are Pedro Alvarado Castro, Manuel Calderon Moreno, Jose Cajina Obregon, Marvin Calderon Moreno, Rufino Aguirre Cruz, Javier Mayorga Morales, Lorenzo Martinez Montalban, Salomon Rodriguez Mendez, Edio Ordonez Aguilar, Ignacio Perez Rivas, Macario Galeano Ramos, Luis Jimenez Murillo, and Leonardo Duarte Perez. ARDE also seized four AK-47 rifles, an M-16 rifle and bayonet, and ammunition for these weapons. As a reflection of its humane policy, ARDE spared the lives of these prisoners and will soon turn them over to the Red Cross.

Without totalitarianism or a return to the past!

PLAN TO REDUCE TROOPS IN ETHIOPIA ANNOUNCED

PA241615 Buenos Aires LATIN in Spanish 1545 GMT 24 Jan 84

[Text] Addis Ababa, 24 Jan (LATIN-REUTER) -- Cuba, whose support helped Ethiopia win the Ogaden war against Somalia 6 years ago, plans to reduce its forces in Ethiopia from 10,500 men to fewer than 3,000 by June, Western diplomats have announced in Addis Ababa. The diplomats last week told this agency that the Cubans are leaving the country because it is considered highly unlikely that Somalia will attack again.

Reports on the Cubans' movements have been appearing for months in the Western press but, according to the Western diplomats, they now have specific information about a June deadline for the Cubans' withdrawal. The Cuban contingent in Ethiopia is the second largest in Africa, after the one in Angola.

According to the diplomats, their understanding is that all the Cuban troops will withdraw from the regions of Diredawa, Harar, and Jijiga, near the Somali border, where three brigades of tanks or armored vehicles have been stationed for years.

The Western diplomats said that the Cubans who remain in the country will be regrouped at Debre Zeit, close to Addis Ababa, where there is a Cuban base. From there they could serve as guarantors of the security of the Ethiopian head of state, Mengistu Mariam, in the event of a possible coup.

Ethiopia has made no public statement regarding the Cuban troop movement, but Western diplomats said they had received indirect confirmation from their colleagues in communist bloc embassies that this step was going to be taken.

The Western diplomats were not able to say exactly how many Cuban soldiers have already left the country, but a figure of approximately 4,000 was mentioned. The diplomats agreed that the majority of those who left were in transit toward Angola, but it was not clear how many of them would remain there to join the 20,000 Cuban soldiers already in that country and how many would return to Cuba.

The diplomats said that the decision to reduce the number of Cuban troops was made during a visit to Ethiopia last year by Cuban General Batista Santana, who said that he concurred with Mengistu Miriam that a deterrent force was no longer needed. Acccording to the diplomats, Santana also assured Mengistu Mariam that Cuba and the USSR were very experienced in transporting troops over long distances, so the Cubans could return rapidly if needed.

RODRIGUEZ-LED DELEGATION ARRIVES IN MOSCOW

FL240140 Havana Television Service in Spanish 0100 GMT 24 Jan 84

[Text] Carlos Rafael Rodriguez, Cuban vice president and Politburo member, today arrived in Moscow at the head of a delegation that will participate in the 109th meeting of the CEMA Executive Committee. On the same flight, Lionel Soto, our country's ambassador to Lenin's homeland, returned to the Soviet capital. The meeting of the CEMA Executive Committee will begin tomorrow and will be presided over by Carlos Rafael, acting president of the CEMA, made up of 10 socialist countries.

Paper Interviews Rodriguez

For an interview with Carlos Rafael Rodriguez, member of the Communist Party of Cuba Central Committee Politburo and vice president of the Councils of State and Ministers, by TASS correspondent Nikolay Chigir, including his comments on Reagan administration policies in Central America and the Middle East and Cuba's responses to these policies, see the Latin America and Caribbean section of the 25 January Soviet Union DAILY REPORT.

EXCHANGE OF AMBASSADORS WITH ECUADOR ANNOUNCED

FL241925 Havana Domestic Service in Spanish 1902 GMT 24 Jan 84

[Text] The Ecuadoran Ministry of Foreign Affairs has announced that the Governments of Ecuador and Cuba today agreed to raise the level of their diplomatic representation to that of ambassador. An official communique of that ministry adds that Ecuador has designated Eduardo Santos Alvite as its ambassador while Cuba has named Carlos Zamora Rodriguez. Since 1961, relations between the two countries had been at the charge d'affaires level.

MIXED COMMITTEE WITH GUYANESE OPENS IN HAVANA

FL240206 Havana Television Service in Spanish 0100 GMT 24 Jan 84

[Text] The latest session of the Cuban-Guyanese Mixed Committee today opened at the Sierra Maestra Hotel in Havana. Presiding over the activity were Doctor Richard Van West-Charles, Guyana's minister of public health, and Marcos Lage, Cuba's minister of the steelworking industry and chairman of the session.

In opening the session, Marcos Lage said that during the meetings both delegations will study the themes of cooperation for this year in the fields of science and technology, economics and industry, and education and culture. They will also evaluate existing programs.

Richard Van West-Charles emphasized that cooperation between Cuba and Guyana has increased and that the people of Guyana are grateful for Cuba's solidarity and internationalist work. In conclusion, Van West-Charles urged continued efforts for people to unite and to live in peace.

TRADE AGREEMENT WITH SWITZERLAND EXTENDED

FL250100 Havana Domestic Service in Spanish 2128 GMT 24 Jan 84

[Text] The Governments of the Republic of Cuba and the Swiss Confederation today signed in Havana the protocol that extends to 31 December the existing trade agreement between the two countries. The protocol regulates trade between Cuba and Switzerland. The ceremony, which took place in the embassy, reaffirms the intention of both countries to continue their trade relations on a mutually satisfactory basis.

Isidoro Malmierca, Cuban minister of foreign relations, stated that the decision [words indistinct] of the two nations to maintain and to work for the development of trade relations. Swiss Ambassador Armin Kamer said that his country is making a great effort to increase its trade with Cuba and is negotiating to supply us with needed equipment.

PLANS UNDERWAY FOR STANDARD OF LIVING SURVEY

FL241820 Havana Domestic Service in Spanish 1200 GMT 24 Jan 84

[Text] Representatives of the Standard of Living Survey System [Sistema de Encuestas del Nivel de Vida] and its technical commission met with directors of the Census and Demography Institute [Instituto de Demografia y Censo] to study the present situation and immediate prospects of the Standard of Living Survey System.

This year's surveys will investigate family budgets, election of women as district delegates to the People's Government, the characteristics of youths between the ages of 13 and 16, housing arrangements and conditions, and so on.

The formation and application of the Standard of Living Survey is a complex statistical operation in which several organizational units are participating, including the State Committee for Statistics, organizations of state administration, People's Power, and mass organizations.

COMMENTARY CITES RODRIGUEZ SPEECH ON L.A. DEBT

PA241413 Havana International Service in Spanish 2310 GMT 23 Jan 84

["Our America" commentary]

[Text] One of our America's most serious problems is its outrageous foreign debt. This situation is about to become a true catastrophe because the amount of the foreign debt keeps increasing, while the problems affecting the economies of the region remain unsolved. Meanwhile unemployment increases, production drops, and the living standard of Latin Americans keeps going down.

At the first Latin American economic conference in Quito, Cuban Vice President Carlos Rafael Rodriguez said that if many are surprised by this situation it is because in past decades they were made to believe that Latin America was overcoming its ominous conditions, but suddenly they have discovered that the economic growth that they thought permanent has disappeared, while our economies maintain a steady downward trend.

The so-called economic miracles, Carlos Rafael Rodriguez added, have dissolved into huge debts and a rapid industrial collapse. The reasons that the vulnerable growth of recent decades stopped are well known, but some do not dare say it. It stems in part from persistent, internal structural problems, but mostly from foreign sources. We are not underdeveloped because we fell behind; we are underdeveloped because it was forced on us, Carlos Rafael Rodriguez pointed out.

At the Latin American economic conference, Rodriguez said that realizing the need for mutual defense is the only way we can bring to the negotiating table those sectors that have constantly turned their backs on us. We must have dialogue and avoid confrontations. We must realize there cannot be dialogue without struggling for it, Carlos Rafael Rodriguez said. If we leave everything to a simple appeal, we will never obtain genuine dialogue, and all we will get is the Caribbean Basin Initiative, intended to entertain our aspirations and to prolong our underdevelopment.

The foreign debt problem must be faced together. It is not the squandering and even dishonest handling by some debtors that makes it hard for Latin America to pay its debt, but the unequal and unjust system of economic relations of which we are victims.

Latin American and Caribbean efforts to adjust their economies to the demands of the IMF have only increased the problems of our peoples without solving them, Carlos Rafael Rodriguez pointed out.

The continuing unjust international situation, he added, makes every effort to reduce the debt futile, and instead it continues to increase. Experience has shown that this is not the path.

Latin America intends to pay what it owes, but this decision must be accompanied by the will to achieve simultaneously the reorganization of the international economic system, Carlos Rafael Rodriguez indicated. There is a consensus on the need to put payments on a long-term basis and on reducing interest rates so that they do not have a negative effect on the standard of living.

He said further that in order for Latin America to pay its debt it is necessary for it to continue developing, and for this it must continue to obtain foreign financing on just terms.

Carlos Rafael Rodriguez said that the foreign debt does not result from our inability to manage our economies; it is the result of the system that is suffocating us. Every international economic study shows that if unequal exchange would stop and conditions of international commerce were just, Latin America could face its debt and would need less foreign financing, Carlos Rafael Rodriguez said.

ECLA REPORT ON ECONOMIC CRISIS, CAUSES CITED

FL241632 Havana Domestic Service in Spanish 1200 GMT 24 Jan 84

[Text] The ECLA has warned that Latin America will not be able much longer to continue applying the present restrictive adjustment mechanisms used to face the external imbalance without compromising its ability to recuperate economically. An ECLA report alerts highly developed capitalist countries, which are creditors, to the fact that our continent cannot continue restricting its economy, because this would lead to situations that are hard to control.

The acute balance of payments crisis facing Latin America in recent years is largely attributed to external causes beyond this region's control, the ECLA asserts. Some causes cited are the spectacular drop in exchange rates, high interest rates, and the violent contraction in the flow of capital. The report considers comprehensive studies on the large foreign debt's present refinancing mechanisms indispensable, recognizing the need to adjust payments to agencies handling economic recovery and development.

SHULTZ VISIT TO GRENADA, BARBADOS ANNOUNCED

FL242021 Havana Domestic Service in Spanish 1920 GMT 24 Jan 84

[Text] Secretary of State George Shultz' planned visit to Grenada has been officially announced in St George's, the capital of Grenada. The chief of U.S. foreign policy will also visit Barbados, where he will meet with the leaders of the countries that participated in the Yankee aggression against Grenada.

Observers consider that this visit is motivated by Washington's plan to convert occupied Grenada into a colony and coordinate its foreign policy with the puppet governments of the Caribbean countries. After its savage occupation of Grenada, the United States increased its military and police control of the Caribbean countries and, as was reported in Dominica and St Lucia, the organization of special squadrons for that purpose has begun.

STATE DEPARTMENT OFFICIAL VISITS COSTA RICA

PA241647 Havana International Service in Spanish 0000 GMT 24 Jan 84

[Text] A U.S. State Department official has made an unexpected visit to northern Costa Rica, where Washington plans to deploy 1,000 military engineers who will reportedly work on a development plan there. U.S. official Bill Tagliani toured the area with U.S. Ambassador Curtin Winsor, who last week said he had had a bad day when he informed the Costa Rican Government of the suspension of the development plan.

Tagliani's visit included meetings with many government officials of the northern part of Costa Rica, close to the Nicaraguan border, where anti-Sandinist counterrevolutionary bands operate.

Costa Rican Foreign Minister Carlos Jose Gutierrez had said some days before that the U.S. military engineers would be allowed to come to Costa Rica as long as they were not posted in areas close to the Nicaraguan border.

GUATEMALAN ARMY CLASHES WITH GUERRILLAS REPORTED

PA241543 Havana International Service in Spanish 0000 GMT 24 Jan 84

[Text] Guatemala's Revolutionary Organization of the People in Arms, ORPA, and the Poor People's Guerrilla Army, EGP, inflicted some 100 casualties on government troops in clashes that occurred between 6 and 16 January.

ORPA guerrillas attacked 7 Guatemala City police substations on 16 January, inflicting 32 casualties on the enemy. On the same day, ORPA guerrillas ambushed Judicial Police vans on Guatemala City's beltway, inflicting 13 casualties on the police. Another ORPA group clashed with the Army at La Colonia farm, in San Marcos Department. The Army sustained 17 casualties as a result.

Meanwhile, the EGP attacked two military patrols in El Quiche and Huehuetenango Departments, causing the Army 23 dead and 10 wounded.

The ORPA and EGP are both part of the Guatemalan National Revolutionary Unity, which also includes the Rebel Armed Forces and the Guatemalan Labor Party's leadership.

ANTIGOVERNMENT ACTS IN CHILE REPORTED

PA241542 Havana International Service in Spanish 0000 GMT 24 Jan 84

[Text] Two bombs exploded in a Santiago, Chile subway car, in the second attack on Santiago's subway system in 2 weeks. No one was hurt in either attack. Early on Sunday another bomb destroyed an electrical installation in the San Miguel neighborhood.

Other news dispatches report that the Communist Party of Chile has released a document in support of any kind of struggle that will permit the people to achieve democracy and freedom. The document states that the party supports all methods of popular self-defense designed to destabilize the military regime, and it emphasizes that the only solution to the country's problems is to oust Pinochet from power and establish a provisional government that will convoke a constituent assembly to draft a democratic constitution.

Chilean Christian Democratic leader Andrez Zaldivar has said in Santiago that Interior Minister Sergio Onofre Jarpa has no credibility among the Chileans, and described his efforts as useless.

BANKING, FISH INDUSTRY WORKERS STRIKE IN PERU

PA241704 Havana International Service in Spanish 0000 GMT 24 Jan 84

[Text] Peruvian bank workers remain on strike, and 6,000 employees of the state company Pescaperu will begin an indefinite strike tomorrow.

Edgardo Cuba, secretary general of the Bank Workers Federation, reported that 90 percent of the 30,000 federation members had joined the strike, demanding the fulfillment of collective bargaining agreements. Fish industry workers will begin a strike tomorrow to demand the revocation of decrees that dismissed 4,000 workers. The National Agrarian Confederation announced that in February it will state its second national strike to protest the government's repeated attempts to eliminate agrarian reform.

Meanwhile, a police officer and two civilians were injured when Villa El Salvador's Civil Guard post was attacked by an armed group. Villa El Salvador is a densely populated Lima neighborhood.

Other reports state that peasants from Cangallo Province, in Ayacucho Department, are abandoning their land and moving to Lima due to the repression to which they are subjected by the special Sinchi Battalion. Several peasants from Huambalpa have reported that 48 villagers have been killed there so far. They attribute the killings to both the police and the clandestine Shining Path organization.

PERUVIAN MAYOR'S ARREST TRIGGERS PROTESTS

PA202052 Havana International Service in Spanish 0000 GMT 20 Jan 84

[Text] The arrest and solitary confinement of Jaime Ardiles, mayor of Puno, Peru, has triggered a number of protests; there is even talks of a general strike unless he is released.

Ardiles, a member of the United Left Coalition, was re-elected mayor of Puno in the 13 November municipal elections. His arrest was the result of charges filed against him by the publisher of a local newspaper.

The incident, which is considered a political maneuver against the United Left, prompted an immediate strike of Puno municipal workers, while 5,000 people gathered in the city's main square to demand the mayor's release.

INMATES DEPLORE 'TORTURE' IN PERUVIAN JAIL

PA222002 Havana International Service in Spanish 1800 GMT 21 Jan 84

[Text] The 5,000 inmates of the Lurigancho Penitentiary in Lima have accused the jail's employees of bringing drugs into the prison. They also reported acts of torture and deplorable conditions in the jail.

In a document sent to Peru's attorney general, the inmates stress that they live like animals in dark, malodorous, unventilated cells situated over the jail's garbage. They asserted that some 800 inmates are suffering from tuberculosis due to these conditions and lack of proper food. The prisoners warned that if judicial authorities do not take steps to improve conditions and to eradicate the jail's mafia, which is linked to drug trafficking, they will begin an indefinite hunger strike.

Meanwhile, in Lina, Peruvian Interior Minister Luis Percovich said that the shot fired by a policeman, which killed an unborn child, was accidental. The tragic incident occurred Thursday in the Lima district of Villa El Salvador, where 10 policemen went to evict Engracia Anaya, who was 6 months' pregnant, from her humble home.

TWO MEN WITH EXPLOSIVES ARRESTED IN PERU

PA221847 Havana International Service in Spanish 0000 GMT 21 Jan 84

[Text] The Peruvian newspaper DIARIO DE MARKA has reported that Sergio Tapia Raya and Isidro Dalmaj Planas were arrested in the northern city of Chiclayo while carrying explosivies and submachine guns in a vehicle.

SHINING PATH MAN KILLED BY PERUVIAN PRISON GUARDS

PA202024 Havana International Service in Quechua 2200 GMT 16 Jan 84

[Text] According to reports from Lima, Jesus Chavez Garcia, a man who was arrested and charged with being a member of Shining Path, has died as a result of shots fired by El Fronton prison guards. Chavez Mena was killed when a group of inmates rebelled, protesting the bad treatment that they received because they are accused of being Shining Path members. The El Fronton prisoners have charged that the guards plan to kill them before they go to court.

AYACUCHO EVENTS, PROTESTS IN PERU REPORTED

PA202038 Havana International Service in Spanish 1800 GMT 19 Jan 84

[Text] Three children who were killed by a Peruvian Marine were buried in Tambo, Ayacucho Department. The three children died when a Marine opened fire on a bus carrying a large number of people who had attended a funeral. Nine other passengers were wounded in the shooting.

Meanwhile, other reports note that the body of Antonio Guaman, who had been missing since last Sunday, was discovered near a lagoon in Tambo. The body bore signs of torture.

The Peruvian radio reported that 100 armed men attacked two towns in the district of Ocros, also in Ayacucho Department, killing 15 people.

The Peruvian Committee of Relatives of Political Prisoners has charged that jails in this country are being used as concentration camps, and has demanded that those who are responsible for recent wholesale murders in jails be punished.

Meanwhile, various labor sectors in Peru have containued their strikes, demanding compliance with collective agreements, the reopening of working centers, and indemnity payments, among other things.

DYNAMITING OF BRIDGE ISOLATES PERUVIAN TOWNS

PA220308 Havana International Service in Spanish 1600 GMT 20 Jan 84

[Text] Many towns have been isolated by the dynamiting of a bridge in the central Andean region in Junin Department. The Peruvian Telecommunications Company has denied newspaper reports that an armed group attacked and destroyed the company's installations in Huancayo, capital of Junin Department.

Meanwhile, the arrest of Jaime Ardiles and the fact that he has been kept incommunicado have been the cause of many protests, including a general strike threat if he is not released. Ardiles is the mayor of Puno, a post to which he was reelected in the 13 November 1983 municipal elections, as the candidate of the United Leftist Coalition. Ardiles was arrested after charges were made against him by the director of a local newspaper.

The Latin American Federation of Relatives of Disappeared Prisoners is trying to see Peruvian President Fernando Belaunde Terry to let him know of their concern about 104 persons who have disappeared in Ayacucho. The federation claims it has data on the 104 persons, who disappeared in Ayacucho's urban zone. It says it does not have any information on what is happening in rural zones. The fear of reprisals is preventing more people from denouncing other cases of people who have disappeared, the federation said.

SHINING PATH ATTACKS IN PERU REPORTED

Damaged Irrigation Complex

PA222207 Havana International Service in Spanish 0000 GMT 22 Jan 84

[Text] A group of unidentified individuals led by a woman has tried to dynamite an electric power plant in the area of Santa Rosa in Lima, seriously wounding a republican guard.

In the southern Andean region of Ayacucho, 90 alleged members of the Shining Path armed group attacked a camp in (Chacacocha) and the irrigation complex in Razuhuilca, where they caused heavy damage.

Luis Morales, correspondent of EL DIARIO MARKA in Ayacucho, has charged that Civil Guard Colonel (Armando Mele Castillo) tried to run him down with his car. Morales had previously accused the Peruvian police of trying to kill him. Morales denied reports indicating that Shining Path members had killed 21 peasants in Urancancha. He said that the peasants died in a clash between residents of Pampas and Pacaypampa over land that they have been fighting over for 25 years.

Ayacucho Hospital Raided

PA241806 Havana International Service in Quechua 2200 GMT 19 Jan 84

[Text] Peruvian authorities have blamed the Shining Path group for a dynamite attack on the Monterico Polo Club near Lima. Meanwhile, it was reported in Ayacucho Department that a large armed group entered the Tambo Hospital grounds, where they made off with surgical instruments and an undetermined amount of medicine after meeting little resistance.

RED CROSS TO INVESTIGATE MISSING PERUVIANS

PA242034 Havana International Service in Spanish 1600 GMT 24 Jan 84

[Text] The Latin American Federation of Associations of Relatives of Detained and Missing Persons has sent a delegation to Ayacucho to seek information about 104 persons from there who are reportedly missing. The delegation, consisting of President Guzman and Executive Secretary Father Patricio Rice, will conduct several interviews in Ayacucho.

In addition, Fernando Schwalb, Peruvian prime minister and foreign minister, reiterated that the Peruvian authorities will fully guarantee and support a Red Cross delegations's visit to Peru. The delegation plans to investigate reports of missing persons in Peru abuses in the campaign against the rebels, and conditions in Peru's prisons.

MALARIA IN PERU TRIPLES IN THREE YEARS

PA231824 Havana International Service in Spanish 1600 GMT 23 Jan 84

[Text] The rate of malaria in Peru has nearly tripled in the last 3 years, particularly in Tumbes, Piura, and Lambayaque, because of 6 months of heavy rains and floods in those areas. Juan Dextre, director of the national malaria control program, said that 16 years ago the rate of that disease in Peru had been reduced to 45 cases for every 100,000 inhabitants. He added, however, that by 1969 the number of cases had increased to 20,483, that is, 332 cases for every 100,000 inhabitants. Dextre admitted that the figure could even be greater, because the malaria program has not reached some areas of Peru due to a lack of resources, particularly in the Amazon region.

RADIO NANDUTI OWNER DETAINED IN PARAGUAY

PA241649 Havana International Service in Spanish 0000 GMT 24 Jan 84

[Text] Humberto Rubin, owner of Paraguay's Radio Nanduti, was detained for 6 hours because of his remarks on the use of torture by Paraguayan police departments. Rubin was summoned by several police officials to appear at the Department of Investigations in Asuncion.

Other reports state that four Paraguayan university students who staged a 52-day hunger strike to demaned their release from prison have been freed thanks to the pressure exerted by numerous political and labor organizations.

NEW GOVERNMENT DECREE PROTESTED IN URUGUAY

PA202049 Havana International Service in Spanish 1600 GMT 19 Jan 84

[Text] Following the announcement of an official decree ordering the dissolution of the Interunion Workers Plenum, among other things, Montevideo was shaken by a deafening clamor as people beat on pots and pans and honked their car horns last night. The plenum had called a successful 24-hour national strike yesterday.

The regime's order authorizes the police to raid all union offices, forbids political and workers meetings, and prohibits the publication of reports on union activities. The decree also warns that those who violate these measures will be detained, deported, or transferred to other places in the country on suspicion of being political agitators. In addition, all documents and property belonging to labor organizations and media that violate the order will be confiscated.

GAIRY RETURNS TO GRENADA; HEALY CRITICIZES U.S.

PA220425 Havana International Service in Spanish 0000 GMT 22 Jan 84

[Text] Former Grenadian dictator Eric Gairy has arrived in St. George's from the U.S. Virgin Islands after 5 years of self-imposed exile in the United States. Gairy said he was very happy to be back in Grenada, but he was unhappy that very few people were at the airport to welcome him.

During his administration, Gairy was noted for his permanent repression of the people and for his weird ideas about the constellations and flying saucers. He tried to include the flying saucer subject on one UN General Assembly agenda.

Meanwhile, in London, Dennis Healy, a Labor Party spokesman, has demanded the immediate withdrawal of U.S. troops from Grenada. He said that the U.S. invasion of Grenada is a dark chapter in the history of the United States, adding that it was a brutal violation of the UN Charter. The arguments presented by U.S. President Ronald Reagan to try and justify his intervention in Grenada were found to be false, Healy indicated. In addition, Healy said he was in favor of a political solution for the Central American crisis and did not believe in a possible U.S. invasion of Nicaragua.

RADIX QUOTED AT EVENT COMMEMORATING BISHOP

FL231230 Havana Domestic Service in Spanish 1100 GMT 23 Jan 84

[Text] Kendrick Radix, former minister of industrial development and fisheries for the late Grenadian Prime Minister Maurice Bishop, has accused the United States with its invasion, of having paralyzed work on the Point Salinas airport, and he demanded that it be completed. Radix spoke at an event held in St George's in the memory of Bishop and of the members of Bishop's cabinet who were killed in October.

Radix said that 99 percent of the $50 million for the airport's construction was obtained by Bishop's efficiency. He praised Cuba's aid to Grenada at that time and stressed that the Cubans are exemplary people, not what the criminals' propaganda is trying to make them appear.

The former minister denounced the government media's silence on Bishop's death. We had an exemplary, honest, popular, and democratic leader who obtained $95 million per year for our country to help us in our overall development, he noted.

STATUS OF SURINAME MINERS STRIKES REPORTED

PA241430 Havana International Service in Spanish 0000 GMT 24 Jan 84

[Text] Workers at one of Suriname's bauxite and aluminum plants have returned to work, while strikes continue at other Suriname mines. At the (Moengo) mine, where workers remain on strike, there are plans to hold a new round of talks between union leaders and company representatives. The strikes at Suriname's bauxite and aluminum plants began 5 weeks ago to protest income tax increases and Christmas bonuses.

CARICOM ANNOUNCES 27 JAN MEETING PARTICIPANTS

FL241730 Bridgetown CANA in English 1447 GMT 24 Jan 84

[Text] Georgetown, Guyana, Jan 24 (CANA) -- The deputy prime ministers of Jamaica and Barbados, Hugh Shearer and Bernard St John, will be among the delegates attending the 24th Caribbean Common Market (Caricom) Council of Ministers meeting opening here on Friday, a spokesman for the Caribbean Community (Caricom) Secretary said. Also attending the ministerial meeting are Desmond Cartey, minister of industry, commerce and consumer affairs of Trinidad and Tobago, and James Moultree, parliamentary secretary in the Bahamas' Ministry of Foreign Affairs, the spokesman said.

He said Belize, Dominica, and St Lucia have indicated that they will send delegations to the two-day meeting, which will be under the chairmanship of Antigua and Barbuda, in accordance with the system of rotation.

The agenda for the meeting includes several matters relating to intra-regional trade, customs, and commercial matters, a regional scheme for the joint procurement of grains, a common protective agricultural and livestock policy, and economic relations.

Before the Council opens its meeting, there will be a meeting of the Joint Consultative Group, JCG, on the opening day of the conference. This is a forum in which non-governmental bodies exchange views and consult with the Council on important policy issues affecting the Common Market and the Caribbean integration movement. The Caribbean Association of Industry and Commerce (CAIC) and the Caribbean Congress of Labour (CCL) will be represented at this meeting.

ANTIGUA AND BARBUDA

BRIEFS

NEW FRG AMBASSADOR -- St Johns, Antigua, Jan 19 [CANA] -- West Germany's new non-resident ambassador to Antigua and Barbuda, Johannes Raitberger, arrived here today at the start of a two-day visit during which he will present his credentials to Governor General Sir Wilfred Jacobs. The visiting diplomat will also meet separately with Prime Minister Vere Bird and Foreign Minister Lester Bird, before making a tour of several of the country's historical sites. Tomorrow he will present the government with a set of equipment for an artificial insemination project at the veterinary clinic -- five miles outside of the capital, St Johns. Antigua and Barbuda, which became independent on November 1, 1981, established diplomatic relations with the Federal Republic of Germany in May the following year. [Text] [Bridgetown CANA in English 2244 GMT 19 Jan 84 FL]

BAHAMAS

BRIEFS

NEW FRG AMBASSADOR -- Mr Richard Wagner, the new FRG ambassador to the Bahamas, presented his credentials to Governor-General Sir Gerald Cash at Government House this morning. [Summary] [Nassau Domestic Service in English 1800 GMT 24 Jan 84 FL]

BARBADOS

CENTRAL BANK REPORTS ON ECONOMY'S GROWTH IN 1983

Banker: No Real Growth

FL210108 Bridgetown CANA in English 2355 GMT 20 Jan 84

[Text] Bridgetown, Barbados, Jan 20 (CANA) -- Barbados' economy did not grow in real terms in 1983, and according to Central Bank Governor Dr Courtney Blackman, after two consecutive years of decline, zero growth was still cause for some satisfaction.

Dr Blackman told Life Underwriters at their annual general meeting today that the bank has had to halve its projection of between four and five per cent real growth for 1984. This projection, he said, was based on the continued recovery in the world economy.

However, he said the unfavourable weather late last year has cut between 15,000 and 20,000 tonnes off the expected level of sugar production. Sugar producers now forecast sugar output of a little under 100,000 tonnes.

"The trade and payments difficulties in Caricom (the 13-nation Caribbean Community and Common Market) still cast a shadow over our manufacturing sector," Dr Blackman said, "and the continued strength of the U.S. dollar, which is hampering our efforts to obtain a larger share of the European tourist market, is also reducing our income from sugar sold to the EEC."

He said leading electronic firms expect to repeat and possibly surpass the performance of 1983 when exports grew by 123 per cent, but there was no such hope for the rest of the manufacturing sector. Dr Blackman said tourist arrivals should continue to increase, but unless the balance between American and European visitors changes, the average length of stay and earnings from tourism are not expected to increase.

"Real output will therefore grow by about two per cent," he said, "mainly as a result of higher sugar production." The bank governor said inflation is expected to continue at roughly the same rate or even lower than in 1983 when it stood at 4.5 per cent on a December to December basis.

Government, he said, must continue its policy of fiscal restraint and in this respect, the new wages contract for public workers will be of critical importance. He said it must be borne in mind that an increase in the fiscal deficit will increase pressure on the country's balance of payments.

Dr Blackman observed that the buildup in foreign debt in recent years has reduced government's ability to borrow as heavily in foreign markets as before. "Indeed, we need to rebuild our foreign asset position from current historically low levels," Dr Blackman said.

Report: No Growth, Inflation Down

FL250018 Bridgetown CANA in English 0001 GMT 25 Jan 84

[Text] Bridgetown, Barbados, Jan 24 (CANA) -- The Barbados Central Bank today released its latest economic review, reporting zero growth but a drop in inflation in the first nine months of 1983.

Following is the bank's economic summary:

The expansion in output projected for the third quarter of 1983 failed to materialise. Tourist arrivals from the United States were still on the increase, but the average length of stay per visitor dropped sharply. Manufacturing, other than electronics, faltered under the impact of severe protectionist measures, especially by Trinidad and Tobago. The balance of payments showed a small reserve loss, even though capital inflows were sizeable and the current account remained healthy. The fiscal deficit increased slightly, but public sector borrowing requirements remained modest. Commercial bank liquidity was squeezed owing to the slow growth of bank deposits relative to the demand for credit. The rate of inflation moderated but unemployment rose slightly.

Tourists from the U.S. provided the only source of expansion in the sector, and Americans tend to spend fewer days on the island than other visitors. The Canadian and European markets remain weak despite renewed economic growth in those areas. Visitor arrivals from Caricom were down, a reflection of weakness in the Trinidad and Tobago market.

In the manufacturing sector the assembly of electronic components was the only buoyant sub-sector. Barbados exports to other Caricom countries have been hampered by protectionist measures, which principally affected clothing and furniture manufacturers. Growth prospects for trade with Trinidad and Tobago, until now our major Caricom market, have been seriously affected.

Foreign exchange receipts from tourism, manufactured exports, and capital inflows fell short of outflows during the third quarter, resulting in a small reserve loss. Capital inflows for the government account included proceeds of loans for housing and for the cement plant now under construction. In the private sector, public utilities and the sugar industry also attracted substantial capital in flows.

The fiscal deficit for the first nine months of 1983 was about the same as for a similar period in 1982. With very large increases in import duties and consumption taxes, revenue has grown rather faster than expenditure.

Foreign financing exceeded the 1982 levels and the entire national insurance funds surplus for the first nine months went to help finance the government deficit. Deposit growth has been slow, partly because government pre-empted national insurance funds which might otherwise have reached commercial banks, and partly because of increased flows to non-bank financial institutions.

Purchases of consumer durables account for most of the demand for credit, although business credit has begun to expand once again. Banks were increasingly illiquid and the Central Bank's p nal discount rate failed to discourage heavy use of the discount windows.

With the uncertainty about interest rate movement in the U.S. financial markets, the Central Bank has adopted a wait-and-see attitude and made no further downward adjustments in interest rates during the third quarter.

Falling oil production and rapidly rising prices in Trinidad and Tobago resulted in a loss of foreign exchange reserves and the authorities responded with hurriedly prepared measures to control foreign exchange spending. The Trinidad foreign exchange restrictions compounded the damage to regional trade from earlier measures taken by Jamaica.

Guyana's continued economic stagnation and her inability to meet arrears left the regional multilateral payments arrangements inoperative. The Jamaican economy failed to generate expected foreign exchange earnings and the authorities had increasing difficulty in meeting commitments under bilateral regional payments arrangements. Apart from modest increases in tourist arrivals, there was no substantial recovery in output anywhere in the Caricom region.

Revised estimates point to zero growth in the Barbados economy during the first nine months of 1983. The upswing in tourist arrivals was outweighed by a decline in the average length of stay. Although there was a substantial increase in the production of electronic components and some improvement in domestic food production, other manufacturing output fell as a result of restrictions on regional trade. The rate of inflation eased as import prices fell. Unemployment was about the same as for 1982.

The growth of tourist arrivals in the first nine months of 1983 is accounted for entirely by the U.S. market which grew 57.5 per cent compared with an overall growth rate of 5.2 per cent. Visitors from the U.S., totalling 87,314, constituted over one-third of total arrivals for the first three quarters. This reflects the earlier and stronger recovery of the United States compared with the economies of Canada and Europe. Real income in the United States has grown about five per cent, compared with rates ranging from 1.5 per cent to three per cent for European countries and Canada. Moreover, the appreciation of the Barbados dollar made travel to Barbados an expensive proposition for European visitors. The predominance of U.S. visitors meant shorter average length of stay overall, since tourists from the U.S. typically spend less time in Barbados than European tourists. Average length declined by one-third over the first four months of this year, the most recent data available at the time of publication. Many hotels offered considerable discounts, lowering average expenditure and foreign exchange earnings per tourist.

Manufacturing output stagnated even though the output of electronic components rose 14 per cent. Exports of electronic components doubled raising manufactured exports for the January to September period 58.4 per cent above 1982 levels.

Clothing production was down 5.2 per cent while food output declined by 2.5 per cent and beverages and tobacco rose by only one per cent. Clothing, furniture, food, and beverages were all affected by regional trading problems, particularly the stringent licensing arrangement in Trinidad and Tobago. Exports to Trinidad for the first three quarters of the year slowed to a 7.5 per cent increase from average growth in excess of 20 per cent for the previous three years. That country accounts for about 60 per cent of Barbados' exports to the region. Exports to the Lesser Antilles, which fell off badly in 1981 and 1982, picked up a little.

Production of several non-sugar agricultural commodities increased. With the modernisation of the fishing industry and the increased use of boats with cold storage facilities, fish catches grew by 70 per cent over the first three quarters, compared with 30.7 per cent in 1982. Fresh milk purchases at the Pin Hill (Dairy) were up 8.7 per cent. However, following the 1982 glut, chicken production fell off 14.2 per cent.

Oil production was 267,000 barrels, an increase of 60 per cent, reflecting the Barbardos National Oil Company's policy of increasing production from the Woodbourne Field. Sales of natural gas rose 71.3 per cent to 8.48 million cubic metres, following an 11.9 per cent decrease in 1982. Of this, 3.29 million cubic metres were used for electricity generation, compared with only 0.05 million cubic metres in the first nine months of 1982.

The annual average rate of increase in prices was 7.7 per cent, four per cent less than the increase a year earlier. The point-to-point increase was six per cent, compared to 10.5 per cent for the period September 1981 to September 1982. The price index for food, which accounts for 43 per cent of the consumption basket, rose only 0.4 per cent, compared with four per cent in 1982. The weighted average of the export prices of the countries supplying most of Barbados imports fell by 5.4 per cent.

During the third quarter of 1983 there were about 200 fewer people employed than one year earlier. This can be attributed to the lay-offs in the industrial sector resulting from the weakening Caricom market for Barbadian exports.

GRENADA

GOVERNMENT REDUCES STAMP DUTY ON IMPORTS

FL250048 Bridgetown CANA in English 2309 GMT 25 Jan 84

[Text] St George's, Grenada, Jan 24 (CANA) -- Grenada's two-month-old interim government, in a move it says is aimed at reducing the cost of living, has pared the stamp duty on imports from 20 to 15 per cent. In a statement, the government also said it would shortly be setting up a "working party" to review Grenada's tax structures with a view to further reducing the cost of living.

The government said the reduction of the duty was effective from yesterday. The cut was "for the purpose of reducing the prices of basic consumer items and at the same time giving a much needed boost to the economy," the government said.

Prior to December 31, 1982 all imports paid stamp duty at a rate of 17.5 per cent of the CIF (Cost, Insurance, Freight) value of the goods, but the leftist People's Revolutionary Government (PRG) of Maurice Bishop increased the rate 20 per cent, to be calculated on the CIF value plus the amount of import tax payable on the goods. The Grenada Chamber of Industry and Commerce had said the move by the Bishop government would have had a net effect of between eight and 10 per cent on the cost of living here.

A government official said here today that the reduction in stamp duty is intended to give both the private sector and consumers a break from already high taxation. The official, who declined to be identified, said the reduction could give the private sector a breathing space to make more money available for further development prospects in the country. He said: "This could certainly boost the economy. The consumer could have more buying power. People that can't buy certain goods would now be able to do so because it could be cheaper."

JAMAICA

SEAGA PAINTS GLOOMY PICTURE FOR L.A. ECONOMY

FL241937 Kingston THE DAILY GLEANER in English 19 Jan 84 pp 1, 11

[Excerpts] Prime Minister the Rt Hon Edward Seaga painted a gloomy picture on Tuesday for the economies of Latin American countries for the years ahead.

"I fear to say that the worst is yet to come because to the extent that these countries have managed to survive the first year or so by special arrangements, IMF bail-outs and so on, they're not going to be able to continue that pattern of a net outflow in terms of debt service," Mr Seaga said.

Mr Seaga, who was holding talks with a three-man team of United States Congressmen from the House Ways and Means Committee on a fact-finding mission to the region at Jamaica House, was responding to a request by the Chairman of the Committee Mr Claude Pepper (Democrat, Florida), to enlarge on his presentation on the Ecuador Summit of Latin American States.

Mr Seaga said that in Quito the extent to which the Con erence was deeply concerned with the economic crisis which the world was facing, particularly developing countries and especially countries of Latin America, centred on the extent to which debt repayments were in many instance more in terms of outflow than inflows of new loans.

He told the Congressmen that Latin America last year suffered a net outflow of U.S.$30 billion in terms of servicing debts as against inflows of other resources.

"This, of course, is a net drain on the economies of the area and a good part of it has resulted from the fact that there has been a dramatic shift in the structure of debt in Latin America over the last decade or more," he said.

Mr Seaga told the Congressmen that 95 per cent of the debts in Latin America today was due to commercial banks which meant that it was by that very nature short or medium term and high interest rates.

"It presents an awesome picture that is frightening because it is not possible to see a way as to how short-term or medium-term debts bearing commercial rates of interest can be serviced without severe dislocations to the economy of those countries which have that characteristic," Mr Seaga said.

However, he told the Congressmen that Jamaica was not in the particular category of having the 95 per cent short-term to medium-term debt structure. Most of the island's debt was long-term and concessionary for bi-lateral and multi-lateral agencies.

Nonetheless, Jamaica felt the impact and that was to say that the countries with this particular problem felt it even more, Mr Seaga said.

"I fear for the future of the region and the upheavals that may occur if it is not possible to find a way to extend the debt to provide moratorium to cushion the interest rates and to do whatever is possible to enable the countries to have a period of repayment which can be met along with the adjustments that they have to undertake as a result of the downturn of internation trade."

The Prime Minister said that the Quito conference did not take a decision to stop payments on debts. Indeed, the conference, which was the largest 'summit' held in Latin America, approached the subject maturely, recognising that there had to be a meeting of minds which would protect the interest of the commerical banks but at the same time provide something that was possible and practical.

Mr Seaga suggested that to provide aid on the one hand but to take it back in commercial bank payments on the other left the country with zero benefits.

"This has to be faced. How it will be faced has defied the solutions and thinking of everyone so far, but a good deal will depend upon the extend to which the IMF and the World Bank are seen as vehicles through which recovery can take place and a new approach made to current debts," he said.

The countries of the region, Mr Seaga said, had not seen this approach coming from the industrial world which had not taken a position which recognised these problems; but rather, taking the position that since the recovery was on the way they would wait and see the extent to which this recovery would bring about increase in world trade.

The recovery, he noted, would not be fast enough to enable the Latin American countries to meet the due obligations.

It had to be clear that the expected downturn which would be feature of Latin American economy over the next few years and the consequent dislocation were going to mean a severe fall in the import capabilities of Latin America and that in turn would mean "a severe fall in the employment capability of your country, which is the supplier of most of the exports to the region," he said.

In terms of Jamaica in particular, Mr Seaga gave an overview of the performance of the economy in the eight and a half years of the previous regime in which he said the country had experienced yearly consecutive negative growth during the period.

Over and above the impact of the oil price increase in the '70s, there was a weakening of confidence, lowering of morale, a feeling of hopelessness, and a growing reduction in production of the country.

The economic recession had hidden the fact that Jamaica had experienced three consecutive years of positive growth -- one of the very few countries in the world which perhaps had done so -- and also hidden the fact that the rate of unemployment had remained somewhat stable, he said.

A substantial upturn in investments, while other countries were experiencing a downturn in this area, was an indication that Jamaica was managing to "swim against the current" with great hardships, Mr Seaga said, as he noted that the country was adjusting to the problems of the '70s while at the same time adjusting to the problems of the '80s.

Mr Seaga said that the Jamaican people were grateful for the support that the U.S. Congress had given through the Caribbean Basin Initiative, which would be a new door of opportunity to help the country to find new market places to earn more foreign exchange.

Nonetheless, he said, much depended upon the recovery of the United States economy, which was a locomotive with the rest of the world as the carriage car.

Mr Seaga said that he had seen signs of an upturn coming with the upsurge of investments, but the question in the interim was: Could the region maintain the pace of development without sufficient dislocation to destroy what had been done while the time limit of the recovery took place? It was in this area that the region would continue to need international support to tide it over.

"We are satisfied that the productive capacity exists, the will of the people is there, and the route that we have taken is accepted as the correct path for Jamaica," he said.

OUTSIDERS GET LIMITED PRIVILEGES IN PARLIAMENT

FL242222 Bridgetown CANA in English 2212 GMT 24 Jan 84

[Text] Kingston, Jamaica, Jan 24 (CANA) -- Outsiders addressing Parliament under the government's plan to allow dissenting voices in the one-party lower house will not enjoy the absolute privilege of members and they will have to present to the speaker beforehand the texts of the statements, House leader J.A.G. Smith has said.

"Participants will not enjoy the special privileges of immunity from libel accorded to members of Parliament under the Constitution," Smith said in a statement to reporters. "For this reason, the submission of texts of presentations to the speaker before addressing Parliament is essential," he added.

The Jamaica Labour Party (JLP), of Prime Minister Edward Seaga, controls the 60 seats in the House of Representatives because of a boycott of last month's general election by the People's National Party (PNP).

To help counter-act the absence of an elected opposition, the government has said that during debates on bills before Parliament, it will allow up to 15 members of the public or representatives of interest groups to address Parliament. The presentation will be at the time when the House has resolved itself into a committee of the whole.

'mith said that persons making presentations will be required to present to the speaker written copies of their presentation five working days before the debate of a bill to ensure that they are in accordance with standing orders. At the bar of the House, each speaker will be allotted 15 minutes within which to read into the record the text as passed by the speaker. Where necessary they will be alloted further time for clarification or elucidation, Smith said.

ENERGY MINISTER REJECTS ENERGY COST INCREASES

FL240014 Bridgetown CANA in English 2223 GMT 23 Jan 84

[Text] Kingston, Jamaica, Jan 23 (CANA) -- Jamaicans have been assured by Energy Minister Hugh Hart that they will not face further increases in the cost of energy unless the price of crude oil rises and the recently devalued Jamaican dollar plunges again dramatically.

Jamaicans at the start of the year had to pay a 50-percent increase in the cost of gasoline, a 40-percent hike in electricity rates, and smaller increases for other fuels -- the direct result of a 43-percent devaluation of the local currency last November.

With an expected "crawling peg" devaluation under the complex system that determines upper and lower ends of a 30 cents band, within which the local dollar floats, there have been predictions that gasoline prices would by mid-year reach 12 dollars (1 Jca dollar; 32 cents U.S.) a gallon -- from the present 8.99 dollars.

However, Hart, speaking yesterday in the northern town of Ocho Rios at a conference of petrol dealers, said that this was an "ill-founded and malicious rumour." Said he: "...I wish to repeat most emphatically, no further increases in the price of petroleum products are contemplated, and I can assure you that unless and until there are international crude price movements or inexplicable increases in the exchange rate (of the Jca dollar) which could only result from the public not caring at what price they buy foreign exchange for their own requrements, there is no way the price of gasoline or any other petroleum product is going to move."

ST KITTS-NEVIS

OAS RECOMMENDS GRANTING OF MEMBERSHIP TO BODY

FL241343 Bonaire Trans World Radio in English 1130 GMT 24 Jan 84

[Text] The Permanent Council of the OAS has recommended that St Kitts-Nevis be granted membership in the regional body. The Council has called for a special session of the General Assembly to admit the nation. The session is to be held immediately following one scheduled for March to elect a new secretary-general.

ST LUCIA

POLICE MOVE TO CURB NUMBER OF ILLEGAL IMMIGRANTS

FL242340 Bridgetown CANA in English 2220 GMT 24 Jan 84

[Text] Castries, St Lucia, Jan 24 (CANA) -- St Lucia police are moving to curb the number of illegal immigrants entering the state. A source close to the Immigration Department here said that authorities were concerned at the number of foreign nationals -- mainly from Guyana -- who have overstayed their allocated time on visits to the island. The source said that some of those persons were currently seeking employment, while others had already obtained jobs.

In an effort to deal with the problem, the police force has urged all non-nationals whose stay in St Lucia has expired to report to the immigration officer at police headquarters before the end of this month. The announcement said that faulure to do so would result in prompt action being taken against the offenders.

TRINIDAD AND TOBAGO

CHAMBERS TO PROTEST WORLD BANK LENDING CUTOFF

FL140212 Bridgetown CANA in English 2112 GMT 13 Jan 84

[Text] Port of Spain, Trinidad, Jan 13 (CANA) -- Prime Minister George Chambers says his government will protest to the World Bank over its decision to remove Trinidad and Tobago's borrowing status because the country has easy access to international capital markets.

"The World Bank has recently informed us that Trinidad and Tobago is to be graduated without a phase-out lending period," Chambers said. The move will mean that the twin-island republic will be "effectively cut off from a vital source of long term funding, and abruptly so."

Chambers said his government was "deeply concerned" by the World Bank action because, nothwithstanding the country's progress, the process of "structural transformation" of the economy continued to require the support of an institution such as the bank. This was especially so at a time of high real interest rates and "increasing caution" on the the part of international bankers, the prime minsiter, who is also the country's minister of finance, said in his 1984 budget speech Wednesday.

"We shall be making the strongest possible representations to the bank on this matter in the very near future," Chambers said, nothing that Trinidad and Tobago had been one of the bank's "strongest supporters."

According to the prime minister, the World Bank decided to graduate Trinidad and Tobago out of borrower status because the country, in camparison with most bank borrowers, has "a relatively easy access" to international capital markets. The bank also said the current stage of Trinidad and Tobago's social development was "well above" the level of most bank borrowers and that of "some countries already graduated from the bank." The bank also said that this country's net foreign exchange reserves, measured as a proportion of the country's annual imports, were also "much larger than in most countries, including developed ones."

"The level of the reserves at the end of the year (1983) represents some nine months of projected imports," said the prime minister, "and this we must do our utmost to safeguard." At the end of 1982, the Central Bank here recorded this country's total foreign reserves, standing at 7,162.1 million dollars.

Chambers' budget was aimed at discouraging spending on inessential imports as a means of husbanding declining foreign reserves and maintaining current employing levels. Fiscal measures containing slashed subsidies on several basic items and additional taxes to consumers also seek to generate government revenue lost by the decline in oil income because of the stagnant world market.

"The structure of domestic production must be altered so that we may continue to enjoy high levels of employment and earn valuable foreign exchange through exports," said Chambers in introducing the new fiscal measures in the budget. He added: "We must also ensure that the country's credibility in the international financial markets is maintained since we are likely to rely more heavily on these markets as a source of funding in future years."

CENTRAL BANK ON EXCHANGE CONTROL SIMPLIFICATION

FL180200 Bridgetown CANA in English 2132 GMT 17 Jan 84

[Text] Port-of-Spain, Trinidad, Jan 17 (CANA) -- The Trinidad and Tobago Central Bank has announced the simplification of recently introduced foreign exchange control measures, criticised at home and abroad as constituting an obstacle to trading within the Caribbean Community (Caricom).

Following is the text of the statement:

"On Monday, October 7, 1983, the Central Bank, after consultation with the Ministry of Finance and Planning, implemented new exchange control procedures for visible imports. These procedures involved the introduction of form EC-0, which requires importers to apply in advance for the release of foreign exchange to purchase imports of goods.

"By this measure the Central Bank sought to (1) achieve a better allocation of our available and shrinking foreign exchange resources as between essential and non-essential goods and (2) develop a system for monitoring the activity of importing in Trinidad and Tobago.

"Because of the necessity to introduce the measure on a specific date, the new procedures trapped orders for goods which had already been made, as well as goods which were enroute or which had been cleared from customs but not yet paid for. Although the bank firmly anticipated that a backlog would ensue, the size of the backlog was quite large and it took longer than initially anticipated to clear the backlog.

The initial operation of the system also revealed areas of difficulty for importers both in respect of the form EC-0 itself and some aspects of the procedures required for compliance. Some of these areas of difficulty were promptly addressed and rectified by the bank. For example, we indicated that the SITC code and the price per unit of the item to be imported were no longer necessary. In addition, we also indicated that documentary evidence in respect of the previous years' imports need not be submitted, though the exchange control department retained, and still retains, discretion in requesting the submission or the re-submission of such documentary evidence.

"In order to assist the processing of the backlog of applications, the Central Bank allowed the commercial banks to process for a specified period of time EC-0 applications where payment was to be effected under letters of credit already established or on open accou..t. This expedient worked very well and assisted immensely in reducing expeditiously the then existing backlog.

"As a result of several meetings held with representatives of various business organisations with the involvement of the Ministry of Finance and Planning and the Ministry of Industry, Commerce, and Consumer Affairs, the bank was able to further clarify areas of doubt or difficulty and to rationlise and improve the format of form EC-0.

"In addition, for the convenience of importers, primarily the manufacturers, the bank has introduced groupings of items for which only one EC-0 form is necessary. This will undoubtedly assist the importer as well as significantly reduce the volume of applications which the exchange control department will have to process.

"It must be emphasised that the grouping codes must be strictly adhered to and where an imported item does not fall within an approved grouping code, the individual item tariff (CCCN) number must be used.

"The bank has also discontinued the requirement that EC-1 applications in excess of 120,000 dollars (TT) be approved by the exchange control department, thus further reducing the inconvenience and delays the importer has faced.

"All of the modifications to the new exchnage control procedures make it easier for the importer but do not in any way compromise the administration of the system or the achievement of its ultimate objectives.

"Our administrative arrangements are now fairly well settled and we anticipate that once the grouping codes are employed, the turnaround time for applications may be at most five days. We will also be looking at ways and means of serving the south and Tobago better and perhaps of decentralising the approval of EC-0S for low value imports.

"In view of the streamlining of the system and of the procedures to take full account of suggestions from all parties concerned and of the banks own experience, it is now incumbent on the importer to modify and improve his systems to provide the data we request and to play his activities to take adequate account of the new procedures. We expect the co-operation of importers in this regard.

"The Central Bank takes this opportunity to publicly thank the Ministry of Industry, Commerce, and Consumer Affairs, the commercial banks, and various business organisations for their co-operation in all phases of the implementation of the EC-0 procedures.

"In conclusion, the Central Bank and the Ministry of Finance and Planning remain firmly committed to the new procedures for the conservation and better utilisation of our foriegn exchange reserves.

"In 1983, our foreign exchange reserves fell by 2,120 million dollars or 30 per cent, leaving the country with 5,000 million dollars in reserves or approximately nine months worth of imports. "It is imperative that the rate of decline of our foreign exchange reserves be slowed and that the foreign exchange we actually consume is used for purposes which will expand production and exports and maintain employment. The classes of goods we have identified for reduced allocations in 1984 reflect these concerens and are indicated in the attachment.

"It is important that citizens help us to make the system work and that selfish interest be subordinated to the long-run benefit of the country.

"The Central Bank stands ready to listen to the suggestions of all sections of the community on how the system can be further improved and how it can be made to work even more smoothly." (end of statement)

MINISTER ON OIL DEALS WITH BRAZIL, VENEZUELA

FL241353 Bonaire Trans World Radio in English 1130 GMT 24 Jan 84

[Text] In an effort to offset heavy losses in Trinidad's once lucrative oil industry, Energy Minister Patrick Manning has announced that the government plans to sign sales and cooperation agreements with Brazil and Venezuela. Trinidad lost a sizable amount of oil revenues as a reult of the world's oil glut. In 1981, daily output was 189,000 barrels. By last year that figure had dropped to 159,000 barrels.

BAUXITE WORKERS RETURN TO WORK; SITUATION NORMAL

FL242017 Bridgetown CANA in English 1817 GMT 24 Jan 84

[Text] Paramaribo, Suriname, Jan 24 (CANA) -- Suriname's bauxite workers were back on the job infull force today after a crippling five week strike, the Suriname News Agency said.

The agency said officials of the two plants of the American-owned Suriname Aluminum Company (Suralco) and the Dutch Billiton Company had reported that the situation was back to normal. But the agency quoted sources in the bauxite industry as saying it will be six weeks before the important Suralco plant at Paranam, 40 miles from here, returned to full operation. Seventy percent of Suriname's bauxite is processed at Paranam. By then it said the plant would have suffered a loss in production of more than 290,000 tonnes.

Yesterday the agency had reported that only a fraction of the 3,000 workforce at Paranam were on the job, and none had turned up at Moengo, Suralco's second operation, 100 miles from Paramaribo. It said that officials at the two Suralco operations and at Billiton had reported a full complement of staff.

The strike in the bauxite industry began on December 19 when workers protested against what they termed heavy [tax] increases on their annual bonus, and against new tax measures for 1984. The tax measures were later withdrawn by the military leaders, who secured the resignation of the civilian government.

Last week an agreement was reached paving the way for an end to the strike. Workers accepted a government offer of 400 guilders (720 U.S. dollars) tax free to compensate for the tax deductions which triggered the strike. The workers will also receive an 800 guilder loan (1,400 U.S. dollars) from Suralco to be repaid in 20 fortnights commencing February 24.

Suralco, which produces 1.4 million tonnes of alumina a year, closed its plant on January 11. Government officials said the country was losing 1.1 million dollars (U.S.) a day as a result. The bauxite/alumina industry provides about 80 percent of Suriname's foreign exchange earnings.

'CRISIS GOVERNMENT' TO TAKE OFFICE ON 27 JAN

Cabinet To Be Announced

PA242242 Caracas Radio Rumbos Network in Spanish 2100 GMT 24 Jan 84

[Text] Cabinet members for the new Surinamese Government of Lieutenant Colonel Desi Bouterse will be announced in the next few hours. Last week Lt Col Bouterse dismissed all cabinet members in an effort to salvage his government.

According to official sources in Paramaribo, the new cabinet will be centralist-oriented. The Surinamese head of state managed to overcome a crisis that threatened his government when more than 5,000 workers of the bauxite mines demanded his resignation.

Tasked With Bringing Order

PA250205 Hilversum International Service in Spanish 0130 GMT 25 Jan 84

[Excerpt] Desi Bouterse, commander in chief of the Surinamese Army, has announced that what he described as a crisis government will take office on Friday. This government will be tasked with bringing order in the political and economic fields within a 6-month period. Afterward, Suriname will have a definite government, Bouterse said in a speech to revolutionary officials.

REPORT ON 20 JAN ANTI-BOUTERSE DEMONSTRATION

PM241447 Amsterdam DE VOLKSKRANT in Dutch 21 Jan 84 p 1

[ANP report: "Anti-Bouterse Demonstration in Center of Paramaribo"]

[Excerpt] Paramaribo/The Hague -- On Friday morning Surinamese time [20 January] a large number of Surinamers gathered in Paramaribo for a demonstration against the Bouterse regime, it was reported by several spokesmen in the Surinamese capital. The call for the demonstration was contained in anonymous pamphlets circulated earlier this week.

According to estimates, several thousand people gathered in Valiant Square opposite the Telesur Telephone Company building. After some initial hesitation, slogans against the military government were shouted. These included "Down with Bouterse" and "Democracy now." Slogans in Surinamese were also shouted, such as "Wi stre def stre, wi no sa frede" ["We are not afraid of the struggle, a slogan which Bouterse himself has used"] and a line from the Surinamese national anthem, "Gado di wi fesiman" ["God is our guide"]. According to eyewitnesses, police and military police were present, but only in small numbers. The military police was booed, but the police were told "The police is your best friend." [sentence as published] Spokesmen also said later that the military representatives wearing civilian clothes were also present, and that photographs were taken of the demonstrators, which included more women than men, many workers from surrounding offices, and many school children and hospital staff.

SECONDARY STUDENTS LIFT BOYCOTT OF CLASSES

PA242303 Hilversum International Service in Spanish 2230 GMT 24 Jan 84

[Excerpt] Secondary school students have lifted their boycott of classes. They were informed that if they did not lift the boycott they would be expelled.

DOMINICAN REPUBLIC

HAITIANS ASK ASYLUM AT VENEZUELAN CONSULATE

PA241246 Madrid EFE in Spanish 0122 GMT 24 Jan 84

[Text] Santo Domingo, 23 Jan (EFE) -- Five Haitians today requested political asylum at the Venezuelan Consulate here, alleging political persecution by the Dominican Government's secret police. The Haitians are Frank Filsaime, Ciphrael Almonor, Louis Dil Lanrents Joseph, Lucian Atoux, and Hippolito Denis. Venezuelan Ambassador Luis Rodriguez Malaspina told EFE that "they will be under our protection while investigations are conducted to determine if they are indeed facing political persecution."

Meanwhile, General Jose Felix Hermida Gonzalez, the National Police commander, said that last week the police arrested 10 Haitian citizens who are being investigated for political reasons and that the results of the investigation will be announced when they become available.

The 5 Haitians sought asylum at the Venezuelan Consulate because they feared they might face the same fate as 10 other Haitians arrested during various operations last week.

GUYANA

GREENWICH HEADS DELEGATION TO ACP MEETING

FL231632 Georgetown Guyana Domestic Service in English 1000 GMT 23 Jan 84

[Text] Guyana will be represented at the Brussels meeting of the Council of Ministers of the African, Caribbean and Pacific group and the Council of Ministers [sentence as heard]. Minister of Economic Planning and Finance Carl Greenwich will head the Guyana delegation, which will also include this country's ambassador to Brussels, (Harold Shahadeo). The meeting will discuss the progress being made on the successor arrangement for Lome II, a trade agreement between the ACP and the EEC. Under this agreement, should the producing countries within the ACP have [word indistinct] prices which bear some relation to the cost of production.

GOVERNMENT ANNOUNCES PETROLEUM PRODUCTS INCREASE

FL241715 Bridgetown CANA in English 1518 GMT 24 Jan 84

[Text] Georgetown, Guyana, Jan 24 (CANA) -- The Guyana Government has announced price increases in petroleum products following the 20 per cent devaluation of the country's dollar two weeks ago. The local currency was devalued on January 10 from three Guyana dollars to 3.75 to the U.S. dollar.

Government sources said the price of super gasolene has moved from 6.23 dollars (G) per imperial gallon to 7.02 dollars, an increase of 79 cents, while ordinary gasolene has increased to 6.71 dollars (G) per gallon, up from 5.97 dollars. There was a 74 cents rise per gallon for dieselene, moving from 4.54 dollars to 5.28 dollars. The price of kerosene has increased by 70 cents; the new price is 4.87 dollars per imperial gallon, moving from 4.17 dollars.

The latest increases are the second to have hit Guyana since the devaluation. On January 11 air fares went up by 15 per cent.